

THIRD ANNUAL CONSUMER STUDY

Impulse spending: The reins loosen

By Bruce Buckley

With the economy again on a roll, drug store consumers are apparently loosening the purse strings and making more on-the-spot buying decisions they might have postponed last year when times were tougher.

This is perhaps the major finding of *Drug Store News'* Third Annual Consumer Study, which is based on a detailed, nationally projectable survey of 750 drug store shoppers across the country.

The telephone survey, conducted late this summer by Lebar-Friedman Research, shows that drug store shoppers this year are spending more per shopping trip and tending to make a greater number of buying decisions on impulse.

In addition, L-F researchers found that drug store shoppers continue to be sensitive to all types of advertising, but newspapers remain the medium that produces the best results. The study also turned up relatively strong consumer sensitivity to in-store signing and checkout displays of high-impulse items.

On the other hand, shopping frequency has not increased in drug stores, according to the survey. It now averages a shade over three times a month, compared to between three and four trips in 1982 and the same number the previous year.

What's more, the factors that prompt the typical drug store shopper to choose a favorite outlet have not changed appreciably in the three years that *Drug Store News* has been examining con-

sumer attitudes.

The top-rated characteristics are still merchandise quality; trust in pharmacist; clean, attractive environment, and high in-stock conditions. Each of those factors was rated extremely or very important by at least 4 out of every 5 respondents.

But the survey did uncover several significant differences in the way men and women rate these factors. Store environment, sales assistance and pricing were all judged significantly more important by women.

According to the survey, the traditional drug store product categories continue to draw shoppers with approx-

imately the same magnetism that they have over the past three years. The strongest of these categories are prescriptions, OTC medications, sports medicine, toiletries, vitamins, cosmetics, skin care and photo.

In preparing the questionnaire for the survey, *Drug Store News* made one key change in order to develop the profile of the typical drug store shopper. Rather than seek out heads of household, the L-F researchers asked for the primary drug store shopper in each household. The effect was to change the proportion of respondents from approximately 50% men and 50% women to one that is preponderantly female.

The change has resulted in a more

accurate profile of the typical primary drug store shopper: a married women just over 40 whose household consists of approximately three people and whose annual family income is just under \$25,000.

For the second year in a row, there was an increase in the median amount spent by drug store consumers on their most recent shopping trip. The 1981 survey found that the typical transaction was \$10.13. The following year the figure rose to \$12.82. This year it's \$13.02.

Sales up

The proportion of over-\$10 transactions has also steadily risen over the years. In a 1975 A. C. Nielsen report published in *Chain Store Age*, *Drug Store News'* predecessor, the proportion of over-\$10 transactions was pegged at 31%. This year it is 60%. Perhaps more signifi-

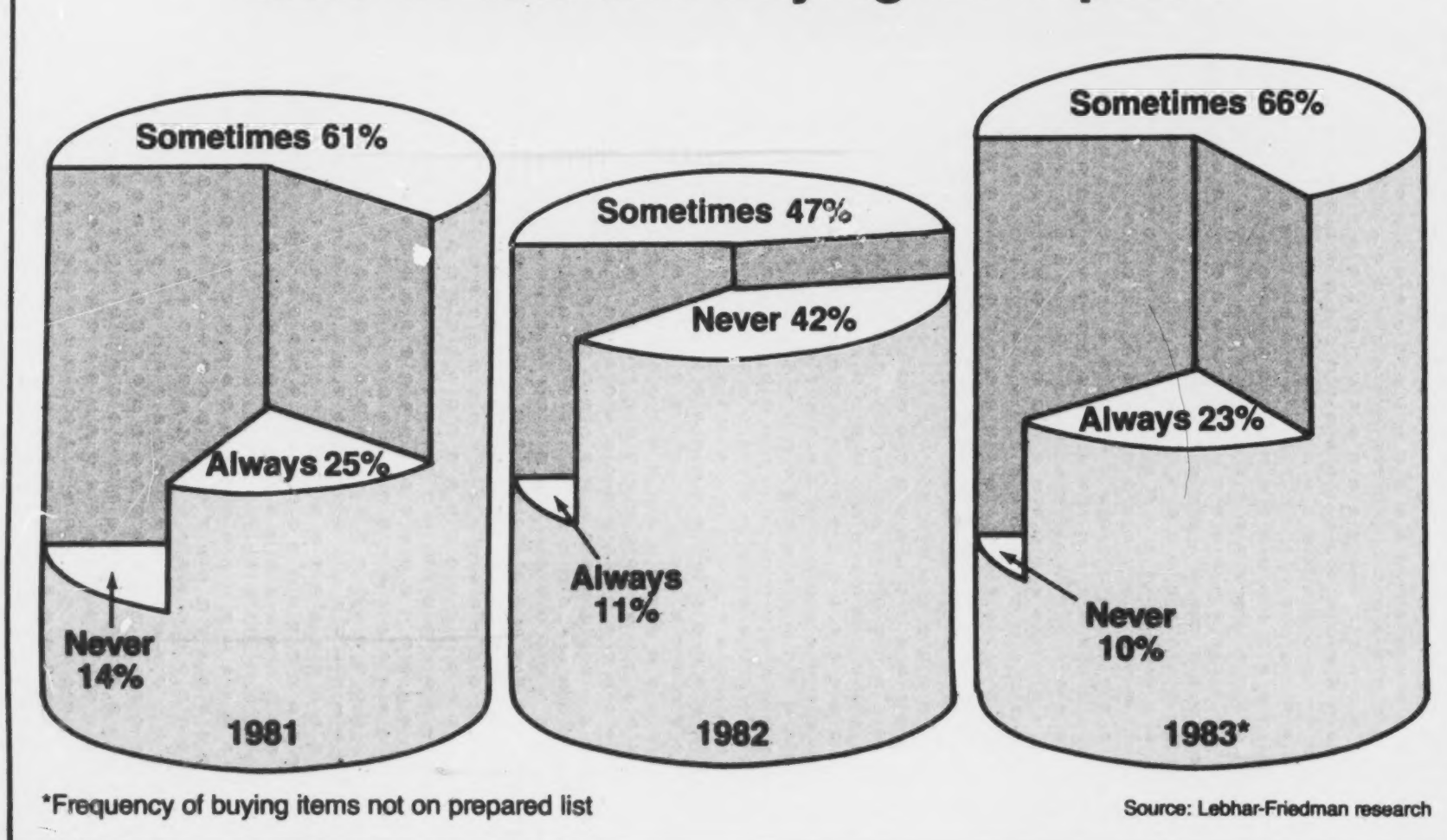
cantly, more than a quarter of this year's respondents said they spent more than \$20 on their most recent drug store trip.

The survey seemed to indicate that the increases in the amount spent per shopping trip was partly the result of higher prescription prices. This year, shoppers reported that an average of 47% of that amount was for prescriptions. Not surprisingly, the average percentage spent on prescriptions was much higher for frequent independent store consumers than the ones who shop chain stores more often—58% vs. 38%.

In addition, the average percentage was also sharply higher for shoppers over 50—60%—and for those whose

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More consumers buying on impulse



Three generations have shopped here because it offers what we want, has good prices and is close to home.



Inside Consumer Study

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I buy greeting cards and gift items at the drug store, as well as beauty aids—selection and prices are better than at the supermarket. I buy paper goods and household items at a discount store because they are priced less. I buy most medication, H&BA, and prescriptions and vitamins at a drug store.

Typical drug store consumer tab rises

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families include a member on a medication maintenance schedule—58%.

Consumers were also asked to compare the percentage spent on prescriptions on their last shopping trip to the

percentage usually spent. Whether their primary drug store was an independent or chain outlet, about two-thirds said the percentage was the same.

Drug store shoppers get more impulsive

The survey results also contained several strong indications that shoppers have become more free-wheeling in their shopping habits this year as consumer fears have slackened. These were evident in the number of shoppers who said they always or sometimes depart from prepared shopping lists when they visit a drug store, as well as in the number who reported responding to in-store signing and promotions and high-impulse items at the checkout counter.

In last year's study, *Drug Store News* found that the stagnant economy had exacted a toll on impulse buying. There was a sharp increase in the proportion of shoppers who said they never bought on impulse—42% vs. 14% in the previous year.

Although the question was phrased differently this year, the results showed that impulse buying was on the rise. Thirty-one per cent of the respondents reported that they didn't prepare shopping lists—either mentally or in written form—before visiting a drug store. The failure to prepare lists carries the strong implication of a shopper who ha-

bitually shops on impulse.

Moreover, among those who do prepare mental or written lists, 90% reported that they always or sometimes buy items not on the list. As might be expected, the incidence of impulse buying was higher among frequent shoppers (five or more trips a month) and among high-income shoppers (\$25,000+ a year).

What stimuli do shoppers respond to when it comes to impulse buying? L-F researchers read three statements to the interviewees and asked them to express various levels of agreement or disagreement.

On the first statement, designed to find out if shoppers look for in-store signs and special promotions to guide them to "good buys," 3 out of 4 responded affirmatively.

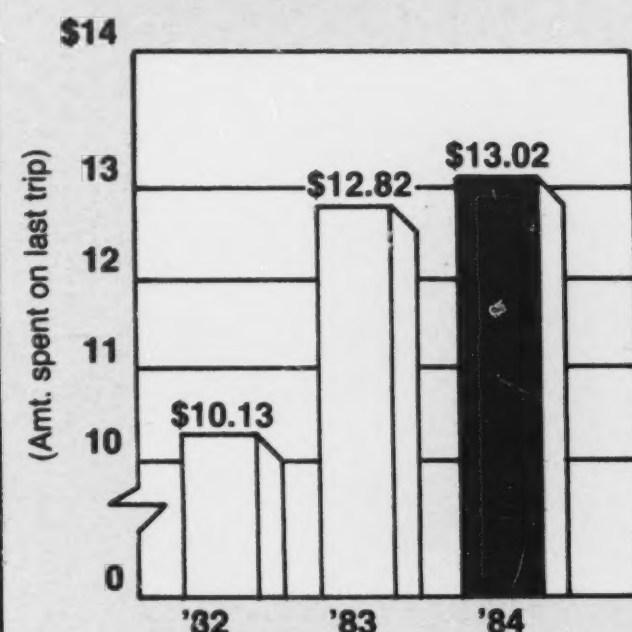
More than half also said they often will pick up items such as razor blades, lighters or batteries that they had not anticipated buying but realized as a need when they saw the items displayed at the checkout counter.

The cluttered look that an abundance of signs and special displays often creates did not seem to disturb most shoppers. Only 37% said signs and special displays clutter a store and make shopping confusing.

Newspaper ads get the heaviest results

For drug stores, newspapers continue to be the most effective advertising medium, largely because there are more newspaper ads and they

Typical drug store transaction increasing



Source: Lebar-Friedman research

therefore create a greater number of impressions. The survey found that drug store shoppers recalled seeing an average of 5.7 newspaper ads in the month leading up to the interview.

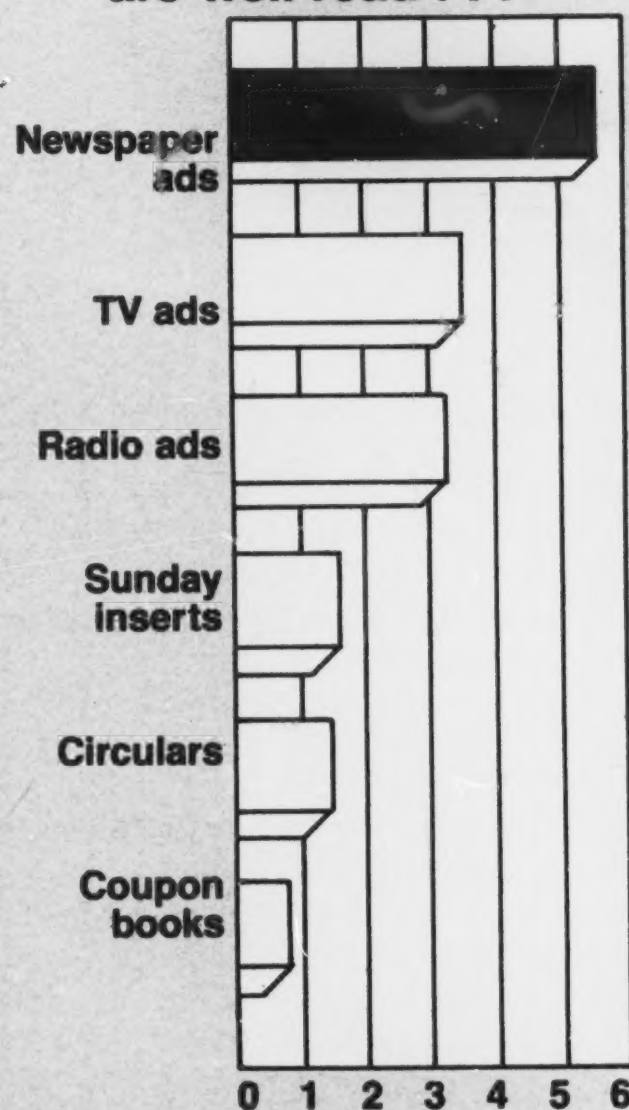
For grabbing the consumer's attention, the next nearest competitors were television and radio. Shoppers reported seeing an average of 3.4 TV ads and hearing 3.2 radio ads in the month preceding the survey.

While newspapers registered more impressions, they turned out to be just about even with television and radio in prompting consumer purchases.

Shoppers were asked to recall how many times they purchased an advertised item out of the last four times they had seen an ad in each of six types of advertising media. Newspapers ranked

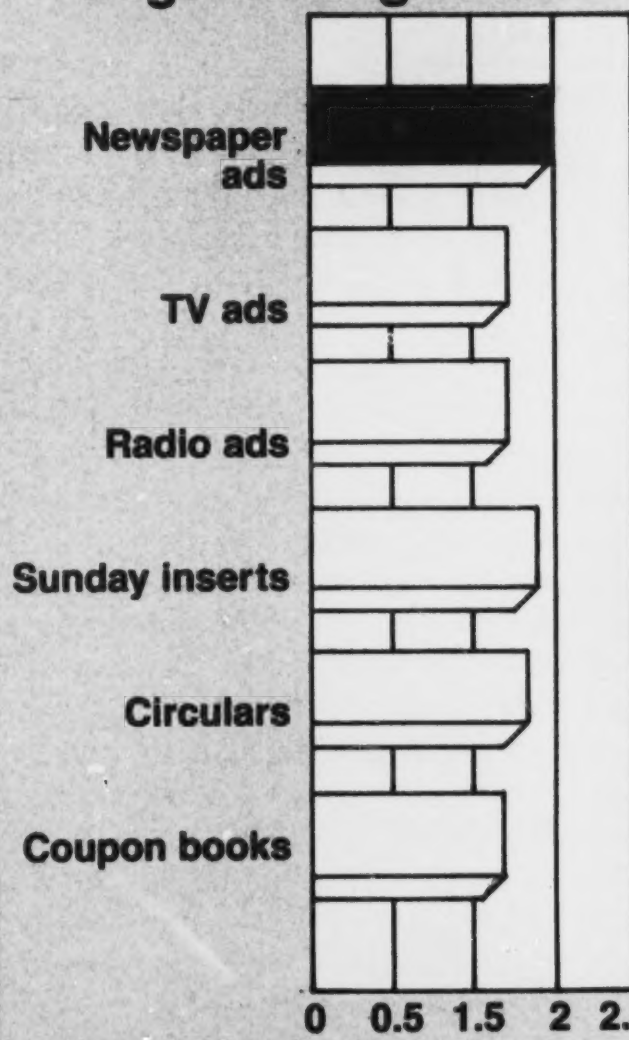
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Newspaper ads are well read . . .



Number of times a drug store ad is seen in a month

. . . and are most effective in generating sales



Number of purchased items resulting from last four consumer exposures

Source: Lebar-Friedman Research

How study was conducted

- A total of 750 telephone interviews were conducted among consumers throughout the country.
- Respondents were selected from a national probability sample, which meant that the probability of selection was directly related to the population density of the geographic area in which each consumer was located.
- A qualified respondent was the primary drug store shopper (defined as being responsible for 3 out of every 4 drug store shopping trips) in each household, and one who had shopped at a drug store within the past six months.
- All interviewing was conducted locally between Sept. 1 and Sept. 19, 1983, via WATS lines by professional interviewers under the direct supervision of Lebar-Friedman Research staff.



I like to shop here because it has everything you need. I don't have to travel around to different stores to purchase my items.

I like to shop in a store that has a clean appearance and the employees are courteous.



I'm on Social Security and prices are important to me. I find that hardware items are cheaper in a drug store than in a grocery store. I buy electrical supplies and kitchenware in a drug store, along with paper and housewares.



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In-store signs encourage impulse buys

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highest, with an average of two reported purchases. But television (1.7 purchased items) and radio (also 1.7) were not far behind.

Although Sunday 4-color inserts, mailed circulars and coupon books were slightly more efficient than radio or television in delivering purchases per exposure, they lagged behind the two electronic media in the number of impressions created, and far behind newspaper ads.

Consumers reported seeing an average of 1.6 Sunday 4-color inserts for a drug store in the past month, receiving 1.5 circulars and slightly less than one coupon book.

But exposure to the four most recently recalled Sunday inserts resulted in 1.9 purchased items. Circulars (1.8 purchased items) and coupon books (1.7 items) were close behind.

The survey also disclosed a slight downward trend in the number of advertising impressions on consumers in the three leading media. In the 1981 study, shoppers said they had seen an average of 6.5 drug store newspaper ads in the month leading up to the interview. The number dropped to 5.9 last year and is 5.7 today. For television, the number of impressions has dropped from 4 in 1981, to 3.8 last year to 3.4 today. For radio, the decline has been from 3.9 to 3.5 to 3.2.

On the other hand, the number of purchased items per four exposures has been on the rise.

Drug stores highly rated by consumers

If the study reveals anything about consumer attitudes, it is that the typical drug store shopper is satisfied with her regular store. In fact, more than half of the respondents who shop at one store regularly (58%) could find nothing wrong with it. The level of satisfaction was particularly strong among older consumers, 72% of whom had nothing negative to say.

There were some gripes, however. And in at least two areas there were more complaints from shoppers who regularly shop a chain store than from their independent store counterparts.

Twenty-four per cent of the shoppers



who regularly shop a chain drug store said they did not appreciate the slow checkout service they sometimes experience, compared to only 10% of the shoppers who regularly shop at an independent. And 13% of the chain drug store regulars expressed dissatisfaction with inexperienced store clerks and clerks who aren't knowledgeable. Only 5% of the independent store regulars had this complaint.

But the leading irritation was that there is sometimes not enough sale merchandise to handle the demand. Just under 1 out of 5 consumers expressed this complaint. Cluttered aisles were another headache mentioned by 12% of the consumers.

Only a relatively few consumers complained about poor merchandise selection (5%), rude sales personnel (4%) and unkempt stores (2%).

Pharmacists are drug stores' edge

In the competitive struggle among drug stores, supermarkets and discount stores, drug stores have at least one potent weapon—the pharmacist.

Primary shoppers of drug stores, su-

permarkets and discount stores were asked to rate those types of retail outlets on 10 selected characteristics. On "trustworthy pharmacist," three quarters of the primary shoppers rated drug stores excellent or very good. In contrast, discount stores and supermarkets received high marks from only 30% of the consumers.

On most of the other characteristics on the list, drug stores scored well, and so did supermarkets. For example, on "in store environment and general cleanliness," drug stores received an excellent/very good rating from 69% of the primary shoppers, and supermarkets from 66% of the supermarket primary shoppers. Discount stores, on the other hand, got high marks from 46% of the sample who were primary discount shoppers.

In addition, both drug stores (64%) and supermarkets (59%) scored better than discount stores (40%) on "quality of merchandise carried."

On five other characteristics, drug stores were rated excellent/very good from at least 1 out of every 2 consumers: "accessibility to home/work" (62%), "fast and efficient checkout" (57%), "variety of brands" (55%), "sales assistance" (54%) and "sale merchandise always in stock" (49%).

On those same characteristics, supermarkets also got generally good marks: "accessibility to home/work" (61%), "fast and efficient checkout" (49%), "variety of brands" (58%), "sales assistance" (46%) and "sale merchandise always in stock" (50%).

The consumer report card for discount stores, in contrast, was generally less favorable: "quality of merchandise carried" (40%), "accessibility to home/work" (39%), "fast and efficient checkout" (32%), "variety of brands" (43%), "sales assistance" (27%) and "sale merchandise always in stock" (37%).

Only on "sale prices" did supermarkets and discount stores outshine drug stores. The tally: supermarkets (48%), discount stores (47%) and drug stores (39%).

On everyday prices, none of the three types of retail outlets fared particularly well: supermarkets (44%); discount stores (42%), and drug stores, in their lowest rating, (37%).

To compare those ratings with the

factors that consumers consider important when shopping for drug store merchandise (prescriptions, OTC medications and health and beauty aids), researchers asked consumers to rank those characteristics on a scale from "extremely important" to "not at all important."

The most important factors for consumers were quality of merchandise and trust in pharmacist. They were ranked as extremely or very important by almost 9 out of every 10 respondents. Of the remaining eight characteristics, seven were judged extremely/very important by at least 2 out of every 3 consumers.

The least important on the list was sales assistance, which was given an extremely/very important rating by 59% of the consumers.

In comparing the attitudes of consumers who primarily shop chain drug stores and those who frequent independents, only one difference stood out. Reasonable, everyday prices were judged more important by chain drug shoppers than by independent store consumers.

But a comparison of men and women and women shoppers uncovered four differences in attitude—an important consideration for retailers because female primary drug store shoppers outnumber males by 5 to 1.

Rated significantly more important by women were "store environment and general cleanliness," "reasonable everyday prices," "good sale prices" and "sales assistance."

'Core' categories draw the shoppers

What types of outlets do consumers choose when shopping for products in various categories? To find out, researchers read them a list of categories and asked them two questions: Where did you make your last purchase and where have you ever made a purchase?

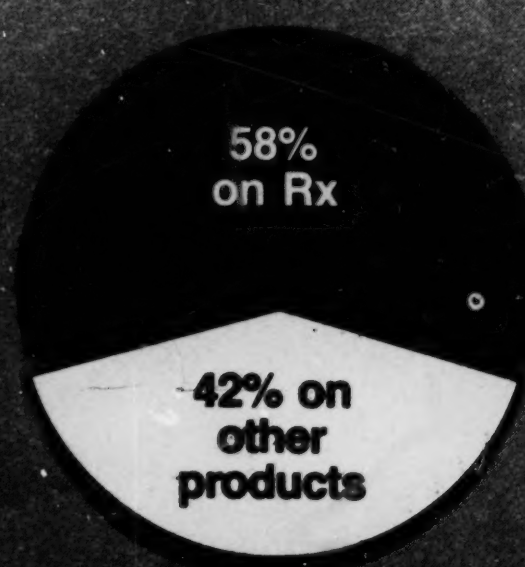
On the question "Where did you make your last purchase?" drug stores scored with at least 1 out of every 2 consumers on five categories: prescriptions, OTC medications, sports medicine, vitamins

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Proportion of most recent drug store purchase spent on prescriptions

Chains

Independents



I come to this store because it is around the corner from my office. Today, I bought some shampoo and toothpaste here because it is the nearest place I can get them.



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Shoppers trust drug store Rxmen most

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and film flash cubes. Prescriptions with 92% and OTC with 80% received the highest scores.

Other strong categories for drug stores: cosmetics (46%), film processing (43%) and toiletries (40%).

On the question, "Have you ever purchased a particular product?" drug stores were selected by virtually the entire sample on prescriptions. Drug stores were chosen by at least 4 out of every 5 consumers on six other categories: OTC, toiletries, sports medicine, vitamins, skin care and film/flash cubes/batteries.

On seven other categories, drug

stores were mentioned by at least 1 out of every 2 consumers: candy/gum, cosmetics, books/magazines, film processing, stationery, baby needs and sunglasses, in that order.

In a comparison of chain drug shoppers with those who primarily shop independent stores, chains were mentioned by a significantly higher percentage than independents on 21 out of 33 categories. The most important were toiletries, skin care, film/flash/batteries, candy/gum, cosmetics, books/magazines, film processing, stationery and baby needs.

On the remaining 11 categories, chain and independent store differences were insignificant, except for jewelry, for which independents were ranked higher.

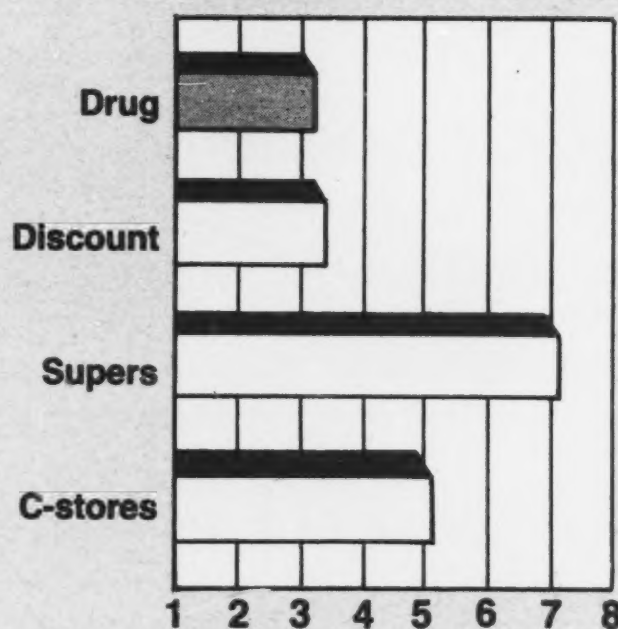
On the key drug store categories, supermarkets emerged on top of drug stores only on books/magazines and tobacco. On toiletries, they came close—selected by 1 out of 3 consumers.

* * *

Other survey findings included the following:

- Distance to regular drug store: 56% of the respondents travel more than a mile.
- Shopping frequency: drug stores (3.1 times a month), supermarkets (7.1 times), convenience stores (5.2 times) and discount stores (3.3 times).
- Leading shopping day for drug stores: none (44%), Saturday (15%), Friday (12%) and Wednesday (10%).

How many times a month consumers shop at selected store types



Source: Lebhar-Friedman research



Drug stores still dominate in home remedies

As the price of physician office visits skyrockets and more products are shifted from prescription to OTC status, self-medication is becoming a more viable alternative for consumers.

Drug stores, with their recognized supremacy in the distribution of OTC products, are in the prime position to capitalize on this long-term trend.

Of the primary drug store shoppers surveyed by *Drug Store News*, 98% said

they use OTC medications. And among these users, the drug store ranks as No. 1 supplier. Approximately 80% of all interviewees said they last purchased an OTC medication at a drug outlet. Supermarkets, with a 10% share and discount stores with 6% rank a distant second and third.

But a big percentage of the primary drug store shoppers surveyed are also the primary supermarket and discount store shoppers in the households. As a

result, these outlets could be primed for a significant entry into a market traditionally dominated by drug stores. According to the survey, chains outperformed independents in attracting users of OTC medications. Among those consumers who said they last purchased an OTC medication in a drug store, 53% bought the product in a chain outlet and 47% in an independent store.

Enrollment in third-party reimbursement plans has grown over the years,

but most third-party plans don't reimburse enrollees for OTC medications. A majority of survey respondents (55%) said family members were not enrolled in a third-party plan.

As with most other drug store categories, female respondents comprise the greatest number of OTC medication purchasers. In the total survey, sample women outnumbered men 5 to 1.

The survey also revealed that there are differences in usage among age groups. In absolute terms, however, those under 35 and those 50 and over represent the greatest number of drug store shoppers by age.

Drug stores also play the key role in OTC sales across the United States, but especially in New England, mid-Atlantic and South Atlantic states. Even though OTC medications are acquired at drug stores more than all other outlets, in the West supermarkets are also making their presence felt with a 15% share—compared to a national average of only 10%.

Slightly more than half (52%) of all OTC medication users that last purchased medication in a drug store shopped two or less times a month, and 1/3 shopped three-four times a month. Only 15% of the drug shoppers said they shopped five or more times a month and purchased OTC medications. Drug stores did well among this small group of frequent shoppers by capturing 83% of those who shop five more times a month for their OTC medications compared to 76% of those who shop two or less times a month.

Where customers last purchased OTC drugs



Source: Lebhar-Friedman research

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I came in here because the chain advertised this stock table at a low price. The merchandise selection and the prices are good here.

Vitamin buyers prefer drug stores hands down

Special reducing diets, nutrient killing medications, free-wheeling lifestyles (heavy smoking and drinking), and skipped meals can all contribute to vitamin deficiencies.

Consumers are beginning to recognize these facts and have taken steps necessary to correct their nutritional shortfalls. Of all primary drug store shoppers surveyed by *Drug Store News*, 92% said they have at some time taken supplemental vitamins.

Drug stores rated very high as an outlet where consumers purchase these nutritional products. In fact they were the No. 1 outlet where most shoppers said they last purchased their vitamins. Virtually 71% of all vitamin users interviewed said they made their most recent vitamin purchase at a drug outlet. And 82% claimed this outlet as the only place where they ever purchased vitamins—indicating a high consumer loyalty to drug outlets.

Statistically, chains ranked higher than independents in terms of the proportion of shoppers that stated where they shopped for their latest vitamin purchase. Fifty-five per cent of the sample said they last bought vitamins in a chain drug store, while 45% mentioned independents

Discount stores and supermarkets placed a distant second and third as noted by their 11% and 9% market shares among vitamin users. Health food stores captured 4% and department stores netted only 2%.

Drug stores' strength as the primary distribution point for vitamin products is further illustrated in that most drug store shoppers also characterized themselves as primary shoppers of supermarkets, convenience stores and discount centers.

In absolute numbers, females represent the largest single group of shoppers that purchase vitamins in drug outlets. This group registered a proportion of 5 to 1 compared to their male counterparts. The proportion, however, reflects the sample's composition. When percentages of vitamin shoppers are used as a yardstick of measure, males are just as likely to purchase vitamins as females in drug stores.

All age groups analyzed—under 35, 35-49, and 50 and over—purchased vitamins in drug stores about equally. Approximately 2/3 of all respondents said drug stores represent the outlet where vitamins were last purchased. In absolute terms, however, the largest single age group of vitamin shoppers are those

under age 35.

In terms of marital status, singles represent a disproportionately large percentage of vitamin shoppers, but their numbers are small relative to other groups. Indeed, 3 of every 4 (72%) singles who are vitamin users last purchased vitamins in a drug store.

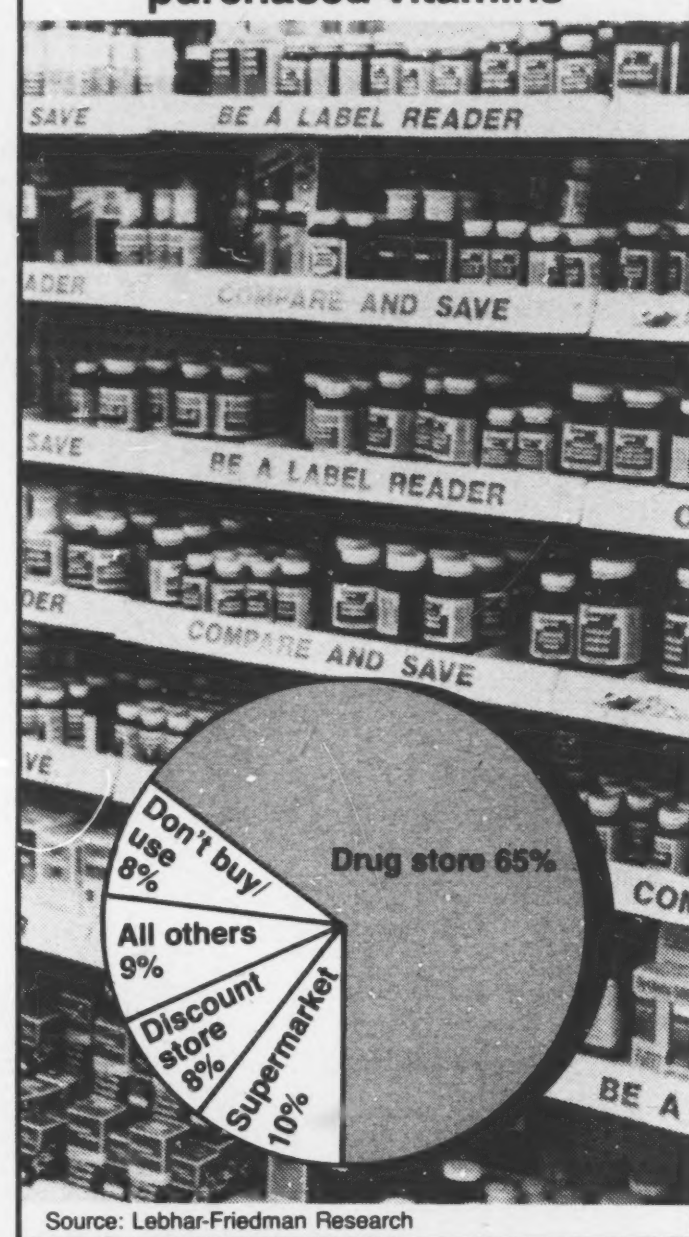
Interestingly, those spending the most on their last shopping trip (\$21 or more), purchased vitamins in proportionally higher percentages than those spending \$10 less on their last trip to the drug store.

The survey revealed few differences in terms of regions of the country and household location. For example, drug stores captured approximately 2 out of 3 of all rural, urban, or suburban based shoppers. And drug outlets are the primary source of vitamins across all regions of the country—especially the South Atlantic region.

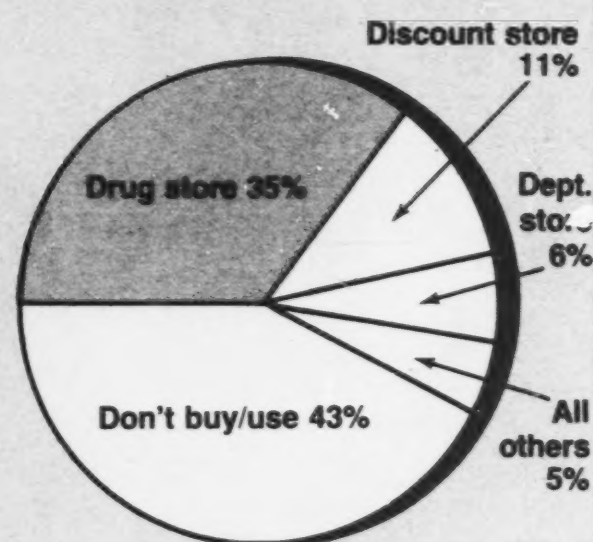
On the other hand, supermarkets chalked up above average shares in New England (19%) and in the Western region (16%).

Approximately half of all vitamin users that last purchased vitamins in drug stores typically shopped two or less times per month, a reflection of the sample.

Where customers last purchased vitamins



Where customers last purchased home health care items



Nondrug retailers infringing on health mkt.

Results of *Drug Store News*' third annual consumer survey confirm what many drug store retailers have already realized about the rapidly growing home/self health care market.

The survey showed that nondrug retailers, including supermarket, discount and department stores, accounted for a hefty 35% of the most recent purchases of home/self care items (such as blood pressure monitoring kits, digital weight scales and electronic thermometers) by respondents, who use these products.

Drug stores, the survey showed, still capture the lion's share of all home/self care sales, with 61% of the user respon-

dents saying their last purchase of such an item was made in a drug store. Four out of every 10 persons surveyed (42.5%) said they had never purchased or used a home/self care product, such as those listed above.

Forty per cent of the primary drug store shoppers who said they had made their last purchase of a home/self care product in a drug store, were under the age of 35. Two factors may explain why. First, younger consumers, typically more concerned about health, fitness and personal appearance, typically have greater disposable incomes than their senior counterparts. Secondly, home health care items are often purchased

by a younger son, daughter or other relative for an ill or nonambulatory parent or relative.

Thirty-three per cent of the respondents who said they had made their last purchase of a home/self care product in a drug store were aged 50 and over; 26% were aged 35 to 49.

By a slight margin (53% vs. 44%), survey respondents who made their last purchase of a home/self care product in a drug store did so in a chain drug store, rather than an independent drug store.

Health care items that are specifically sports related, such as exercise equipment or other athletic equipment are not typically bought by consumers in drug stores, the survey showed.

The survey showed no significant geographical patterns in terms of the need for or purchases of home/self care products.

The drug stores' stake in the rapidly expanding home health/self care market cannot be underestimated.

According to the Bennett Group, a Washington-based consulting and planning organization specializing in the home health care field, the product segment of the home/self care market topped \$1.8 billion in sales in 1981. By 1985, the product segment of the market (excluding professional services) is expected to exceed \$3.3 billion in annual sales. Products and services combined are expected to generate sales of \$9.1 billion annually by 1985.

While incontinence and urological products are expected to continue to dominate the home/self care market in the next decade, other categories are expected to pick up a greater share.

By 1985, major growth categories and their annual projected sales will include high technology items (\$665 million), respiratory equipment (\$516 million), durable medical equipment (\$319 million), rehabilitation equipment (\$510 million) and pressure sore/skin care products (\$357 million).

Sports medicine remains a sure winner

Sports medicine products, such as elastic bandages, analgesic rubs and heating pads, are without question a key drug store commodity, according to results of *Drug Store News*' third annual consumer survey.

Two of every three primary drug store shoppers surveyed (71%) said they had made their last purchase of a sports medicine product in a drug store. Other outlets where survey respondents said they made their last purchase of a sports medicine product included supermarkets (11%) and discount stores (11%). Only 6% of the 750 primary drug store shoppers surveyed said they had never bought or used a sports medicine

Nearly three-fourths (73%) of the primary drug store shoppers who said they had made their last purchase of a sports medicine product in a drug store were under 35 or over 50 years of age.

Persons living in households with total annual incomes exceeding \$25,000 accounted for the bulk of all survey respondents, and likewise, for the bulk (40%) of the most recent sports medi-

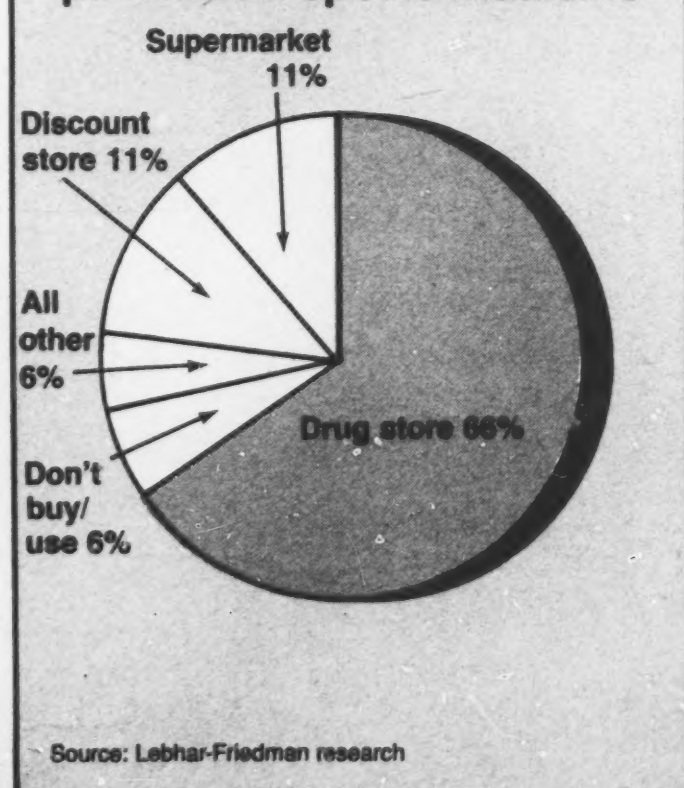
cine purchase in a drug store. By a slight margin (54% vs. 44%), survey respondents indicated they typically purchased sports medicine products in a chain drug store rather than in an independent drug store.

Though typically labeled and merchandised sports medicine products, elastic bandages, analgesic rubs, heating pads and related items are often used by persons who have sustained strains, sprains or other injuries not related to athletic activities. On-the-job injuries, and even home and garden chores, often result in many of the same aches and pains that afflict part-time athletes.

Unless these injuries appear severe, resulting in sharp, enduring pain, persons typically consult their neighborhood pharmacist for advice on what product or products to use for treatment. Rest, ice, compression and elevation (often referred to as the RICE regimen), plus aspirin, is the treatment most often recommended by doctors.

That's why sports medicine depart-

Where customers last purchased sports medicine



ments in drug stores should be stocked with items that not only help prevent injuries from occurring, but also those that aid in the recovery from an injury.

I came here because this store offers a senior citizens discount on prescriptions and it has a convenient location. While I'm waiting for my prescription, I walk around and sometimes buy other things. Today, I bought this package of candy.



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Faith in Rxmen helps bring back script buyers

Drug Store consumers would rather purchase brand-name drugs than generics when offered the choice, despite the savings.

This is one of the facts that emerged from the Third Annual Consumer Survey conducted by *Drug Store News* and Lebar-Friedman Research, a survey of the shopping patterns of 750 drug store shoppers nationwide.

The survey revealed that even though 91% of the drug store customers were aware of generics, only one-third of those aware of generics have ever requested them.

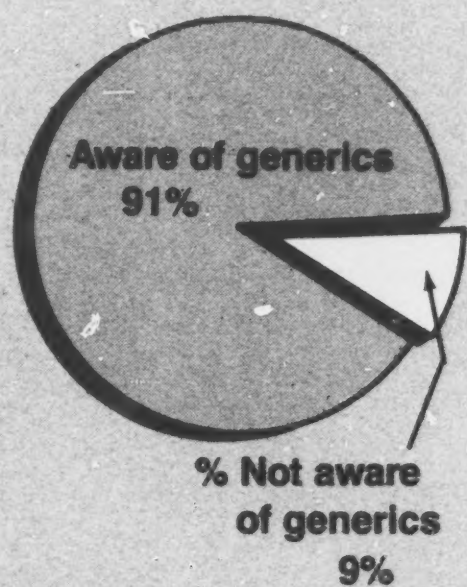
It is not surprising that awareness was high. There has been increased publicity surrounding generic drugs because of newly enacted generic substitution and MAC legislation by many states. In addition, many third-party plans are now insisting that generics be substituted for the brand.

An interesting note is that the prescription-buying public is still very brand conscious.

Convenience was the predominant reason for shoppers purchasing prescriptions in outlets other than drug stores.

As expected, over three quarters of those shoppers purchasing their prescriptions in a supermarket said that they did so because they happen to be

Customers awareness of generic drugs



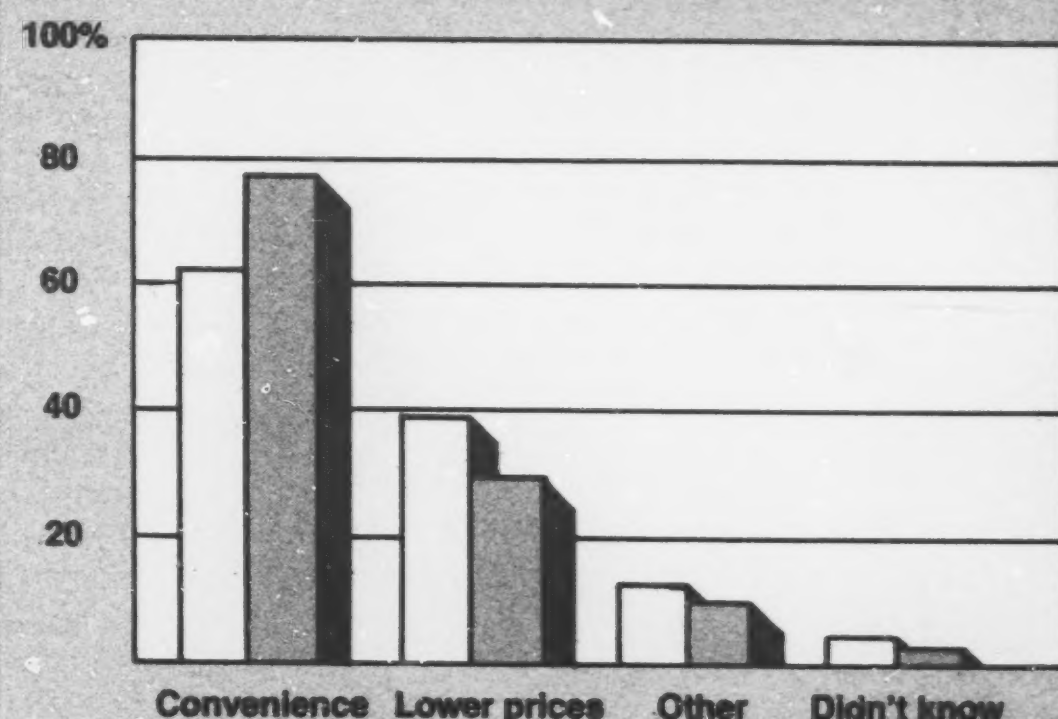
Source: Lebar-Friedman research

asked to rate various types of stores on a list of characteristics. One was the trustworthiness of the store's pharmacist. On that score, drug stores were rated excellent or good by 74% of the consumers.

In contrast primary supermarket shoppers and primary discount shoppers were also asked to rank those types of outlets on the same characteristics. These stores did not fare nearly as well on the trustworthy pharmacist question. Only 30% of the shoppers gave supermarkets and discount stores good marks.

On the other hand, both supermarkets and discount stores were rated much higher than drug stores on sale prices.

Reasons for buying scripts in other than drug store



Source: Lebar-Friedman research

Discount store Supermarket



Make room...

for the first doctor-recommended liquid antacid in a convenient tablet rollpack

Riopan Plus
magnesium hydroxide
Antacid/Anti-Gas

Largest campaign behind an ethical antacid brand... Plus, powerful introductory rollpack advertising.

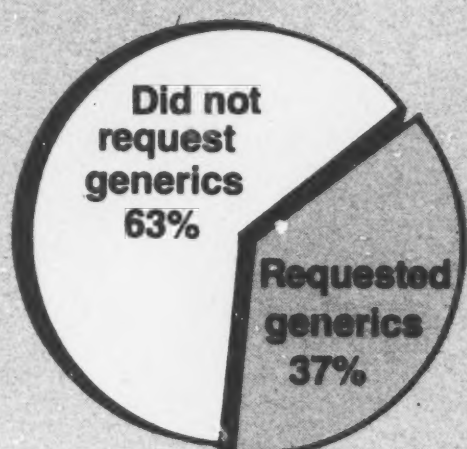
- National TV—in Prime Time, Daytime, Evening News, and Late Night
- Print with coupon—full page 4-color ads, with 30c store coupon, in major consumer magazines throughout the year
- Physician promotion and sampling.

RIOPAN and RIOPAN PLUS Tablet Rollpacks are available in both single and 3-roll packages.

Ayerst

AYERST LABORATORIES
NEW YORK, N.Y. 10017

Customers aware of generic drugs who have requested them



Source: Lebar-Friedman research

there doing their normal grocery shopping.

The most surprising results were the reasons given for purchasing prescriptions in a discount store. The study indicated that 62% of the shoppers who last purchased prescriptions in a discount store did so as part of a group of purchases. A possible explanation for this result is the expansion of discounters into new markets making it easier for customers to reach the store.

In the survey, shoppers were

PAZ EN LA TIERRA

HERPECIN-L

Cold Sore Lip Balm. "It Works!"

Write: CAMPBELL LABORATORIES, INC.

P.O. Box 812-A, FDR, NY, NY 10150

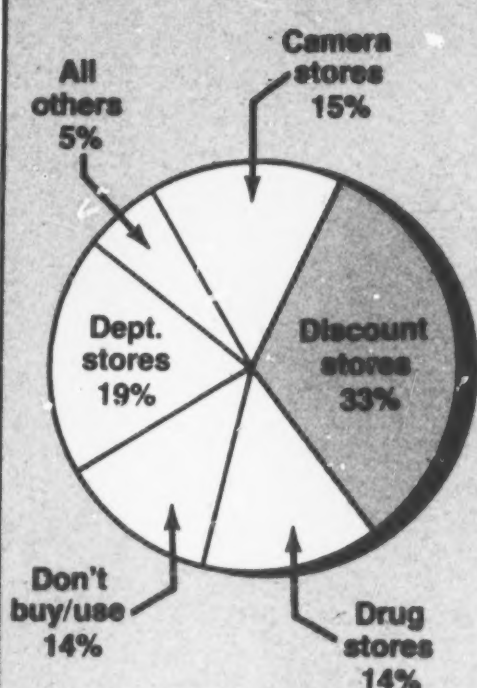
I live near this store, and it has good competitive prices. My family has always shopped at this chain, and this new store is closest to my home.



THIRD ANNUAL CONSUMER STUDY

Film sales and processing remain strong

Where customers last purchased cameras



Source: Lebar-Friedman research

While consumers are most likely to buy their cameras in another type of store, they come to drug stores to buy film and have it processed.

In fact, approximately half of those surveyed by the third annual *Drug Store News* consumer survey bought their film and had it processed at drug stores. Drug stores are so popular as film processing centers that the Jack Eckerd Corp. is one of the top 10 film processors in the United States.

Nationally, drug stores were three times more popular than their nearest competitor, discount stores, as a choice for film processing. More than 43% of those surveyed said their last

roll of film was processed at a drug store, compared to 14% of those who took their last roll to a discount store and 10% to a processing kiosk.

Drug stores were also the most popular source for film, flash cubes and batteries, with 49% of those surveyed reporting they made their last purchase in a drug store. That was more than double the 24% who made the purchase in a discount store and the 9% who bought the products in a supermarket.

The buying trend for these products indicates that people who buy their film in an outlet bring it back to the same place for processing.

Drug chains have been trying to hold on to their film custom-

ers by giving away a roll of film if they bring in a roll for processing.

Other promotions such as giving customers two prints for the price of one also keep customers coming back.

Although the relatively low-priced photography products are most often bought at drug stores, consumers look to other sources when it comes to spending the relatively bigger bucks on cameras.

Drug stores were the fourth most popular choice of camera buyers, with 14% reporting they bought their last camera at a drug store.

That was behind the 33% who picked discount stores, the 19% who bought in department

Where customers last processed film



Source: Lebar-Friedman research

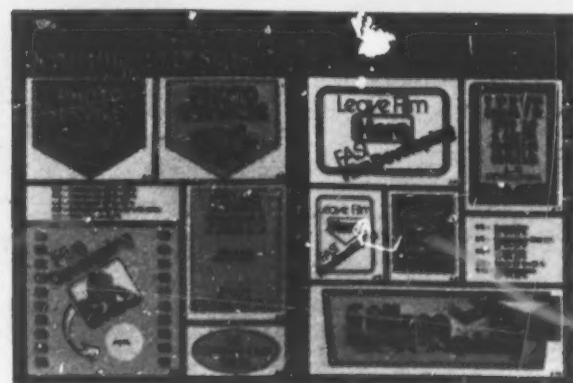


Some interesting numbers for those who think film processing is small change.

Film processing generates over 2.5 billion dollars in retail sales annually.

This figure becomes more impressive when compared to other popular consumer product sales.

Take, for example, men's shaving products (razors, blades and shaving cream).



The Colorcraft Collection: Signage and P.O.P. Catalog

In total dollar sales, photo processing produces three times more retail sales.

Or cleansing and facial tissue sales, photo processing outsells them four to one.

And photo processing surpasses the combined sales of the greeting card industry.

But the numbers are only part of the story. Smart retailers know that photo processing builds traffic. That it doesn't tie-up cash and inventory. Or take up valuable shelf space. **And most importantly, few product categories deliver more positive cash flow.**

A recognized leader in the film processing

industry, Colorcraft does business in 32 states, supported by a network of 24 photo processing facilities.

Colorcraft will help select the program best suited to your stores. Train your people. Set up your operation. And Colorcraft's rigorous standards consistently provide the highest quality and the most efficient service in the photofinishing industry.

COLORCRAFT CORPORATION

stores and the 16% who bought in camera stores.

However, income was an important factor in determining where consumers bought their cameras, or if they bought a camera at all.

For households with family incomes under \$10,000 per year, 21% said they bought their last camera at a drug store. In this category, drug stores were the second choice behind discount stores, where 34% of those surveyed said they bought their last camera.

In the same income category, 22% said they did not use cameras, a percentage far above the national average of 14%.

In the middle income group, with household incomes ranging from \$10,000 to \$24,000, drug stores were the second most popular outlet at 14%. That was lower than the 21% who bought cameras at department stores and the 34% who bought cameras at discount stores.

In the higher income group, over \$25,000, drug stores were the choice of only 12%, lower than the 35% who last purchased a camera at a discount store, the 23% shopping at camera stores or the 18% who bought at department stores.

This seems to indicate that most drug stores continue to rely on low-priced cameras, which appeal to lower income shutterbugs. Discount stores and department stores are starting to join camera shops as outlets for higher priced 35mm cameras.

However, some drug chains are beginning to carry higher priced cameras, a move that was made possible by the popularity of the Kodak disc cameras. The early disc cameras sold at price points above typical drug store camera prices, opening the door for higher-priced items in drug stores.

In addition, a family of at least three people was more likely to use the products than other groups. This indicates that parents photograph their children often enough to make three-person-and-up households the biggest users of photographic equipment.

Corporate Headquarters: Durham, North Carolina (919) 383-8535.

Group Headquarters: Rockford, IL (815) 962-5507. Evansville, IN (812) 423-5254. Charlotte, NC (704) 375-1761. Orlando, FL (305) 898-6112.

THIRD ANNUAL CONSUMER STUDY



I shop at this store because it has generic cigarettes. It is the closest store to my office that carries them. I also buy other things such as gum, occasionally, but I mainly come here for the cigarettes.

Price, convenience account for appliance sales

Frequent store shoppers are more likely to buy curling irons and other small appliances in drug stores.

Almost 20% of those surveyed last bought one of these items at a drug store, which is a significant total considering that drug stores are not usually thought of as an outlet for small appliances. Department stores accounted for 21% of those polled with discounters leading with close to 40%.

The drug store tactic has been to carry the best sku's of hair appliances while also offering a price selection. Therefore, it is common to find a lower-price Windmere coupled with the higher-ticketed Sassoon.

According to the survey, this mix has appealed to younger shoppers (under 35), married and part of a household of three or more. Often, this shopper resides in a rural or suburban area and the drug store is probably the most convenient site.

The drug store's strength does not hold in the case of housewares. Only 7% of the sample noted that they last purchased housewares at a drug store.

Discount stores captured 42% of the last houseware purchases of those polled, followed by department stores with 31%. Supermarkets were mentioned by 10% of those questioned.

Those not buying in a drug store tend to be over 35 and earning better than \$25,000 per year. However, out of the total sample of consumers, almost 40% had at least purchased housewares at some time in a drug store.

These efforts have resulted in an 8% sales gain in housewares which is now a \$2.1 billion category in chains constituting 7% of total business.

One of the categories within housewares is cookware. Although 40% of those queried last purchased cookware in a department store and 34% at a discount store, drug stores were mentioned by 3% of the sample. Apparently, frequent shoppers become aware of the varied mix in a drug store and will turn to that outlet for many purchases.

Because drug stores do carry selected cookware items and because this merchandise is displayed in impulse areas, shoppers tend to make an impulse cookware purchase.

Another category that has emerged as a hot sales area for drug stores is telephones. Although it has been only a short time that drug retailers have been selling these items, drug stores were mentioned by a small group of the sample.

Again, those who frequent the drug store and realized that telephones are for sale there may purchase one there. The overwhelming source for telephones was the phone company, which sold 28% of the sample their last phones.

Where customers last purchased personal appliances



Source: Lebar-Friedman research

BETTER PICTURES The Canon Snappy. Quality at the Right Price!

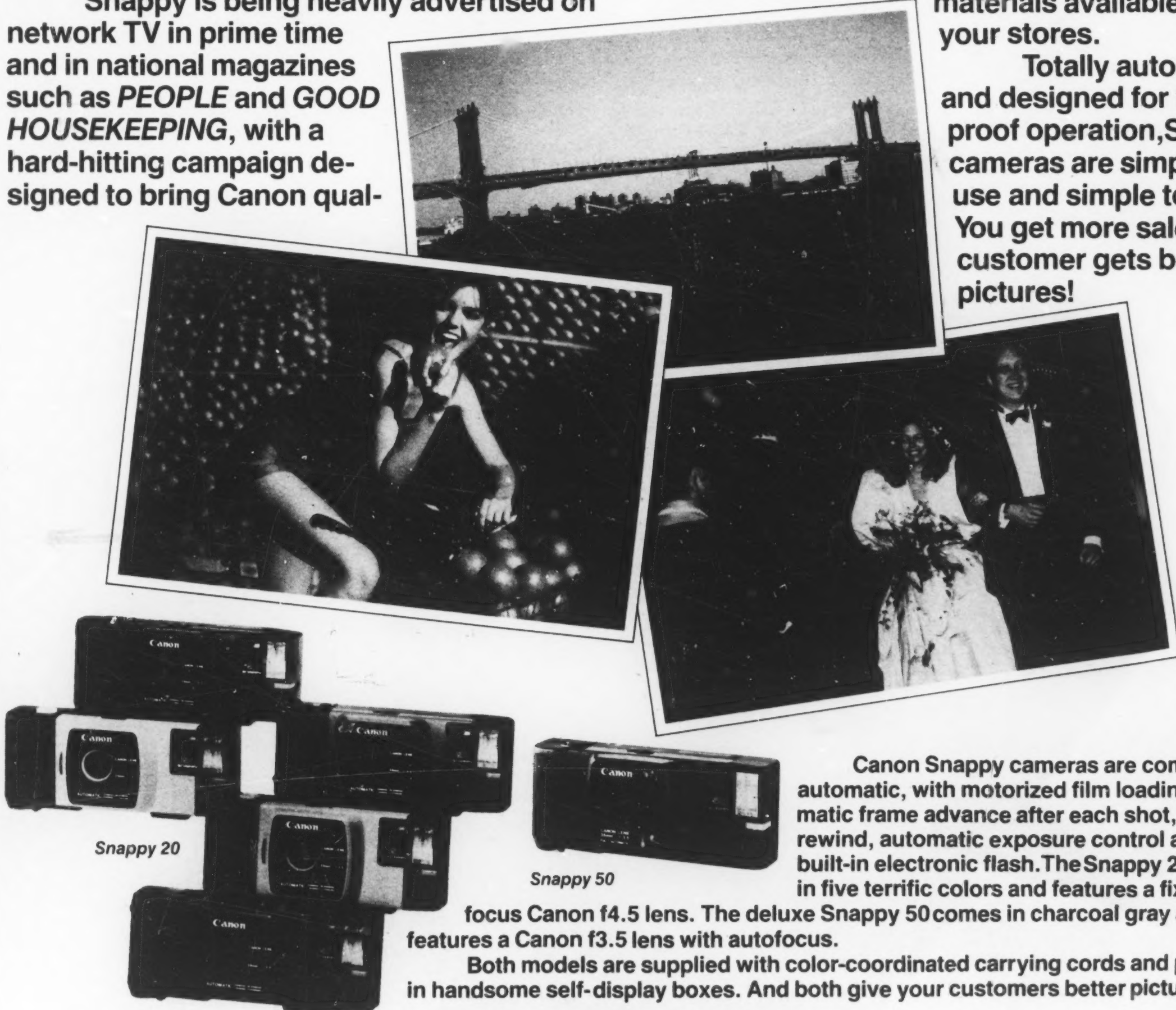
The Canon Snappy is a totally new type of camera, combining snapshot simplicity with Canon 35mm quality. At the right price!

Snappy is being heavily advertised on network TV in prime time and in national magazines such as *PEOPLE* and *GOOD HOUSEKEEPING*, with a hard-hitting campaign designed to bring Canon qual-

ity within the reach of millions of additional customers. You can tie-in to this national effort with a wide variety of point-of-sale

materials available for your stores.

Totally automatic and designed for fool-proof operation, Snappy cameras are simple to use and simple to sell. You get more sales, the customer gets better pictures!



Canon Snappy cameras are completely automatic, with motorized film loading, automatic frame advance after each shot, power rewind, automatic exposure control and a built-in electronic flash. The Snappy 20 comes in five terrific colors and features a fixed-

focus Canon f4.5 lens. The deluxe Snappy 50 comes in charcoal gray and features a Canon f3.5 lens with autofocus.

Both models are supplied with color-coordinated carrying cords and packed in handsome self-display boxes. And both give your customers better pictures!



Canon® Snappy 50/20



I am always looking for sale items. I buy soda pop, Band-Aids on sale, and use coupons heavily. I also watch for H&BA on sale. I don't buy my cosmetics here because I can get a better product at a better price, with consultation, at beauty supply specialty stores.



THIRD ANNUAL CONSUMER STUDY

Cosmetics depts. retain market supremacy

The average consumer today prefers the convenience offered by the drug store when it comes to purchasing cosmetics. In fact, *Drug Store News'* latest consumer survey revealed that 46% of those questioned last purchased a cosmetics item at a drug store.

That should come as welcome news to drug store operators, who have been upgrading the mix and decor of their departments in hopes of improving their share of the \$10.3 billion cosmetics market. Their efforts have apparently paid off in the race for market supremacy with department stores, supermarkets and discount stores.

Based on the survey, only 12% queried last purchased cosmetics in a department store. Supermarkets were mentioned by 8% of those surveyed, a surprisingly high response rate considering that supermarkets offer a narrow selection. Discounters, such as K mart, Target and Wal-Mart, were popular among the sample, with 13% reporting that their last purchase was at a discount outlet.

Another competitive challenge is coming from the door-to-door marketers including Mary Kay and Avon. Almost 7% of the sample last used this source to buy cosmetics.

It is the drug store, however, that tends to entice the younger, more affluent shopper who is prepared to pick up an item on impulse. To this end, drug chains are improving their merchandise presentations and bettering customer service. This has been apparent in the

major chains. Sixty per cent of the drug store shoppers noted that they shopped a chain rather than an independent.

The prestige fragrances lining drug store shelves today such as Opium, Halston and Ricci are proper for the more affluent shopper frequenting the drug store. About 40% of those last purchasing cosmetics in a drug store have household incomes exceeding \$25,000.

Many drug chains are now going one step farther by adding prestige cosmetics lines to the mix. These brands, often secured via diverters, help set drug stores apart from food stores.

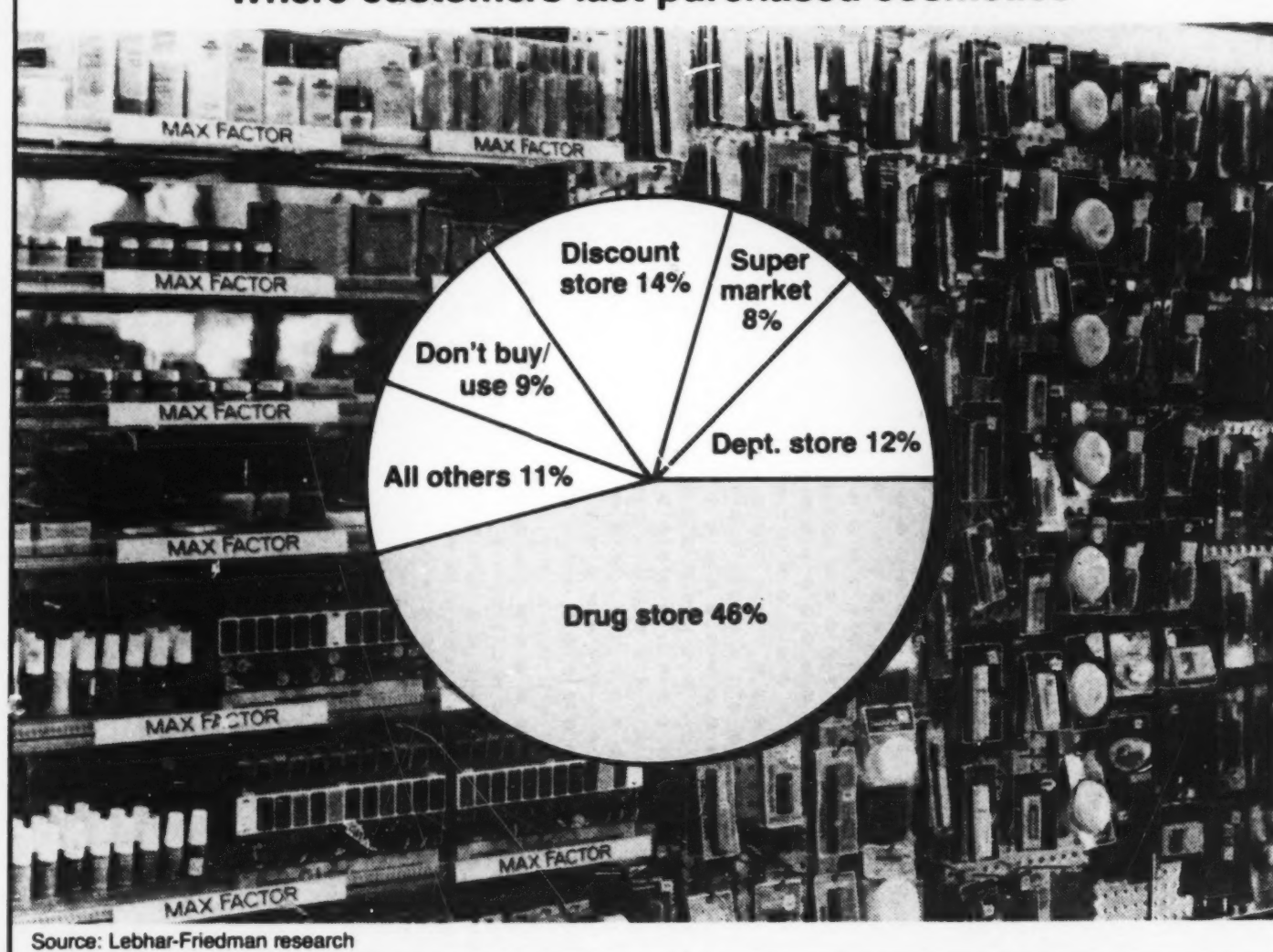
In the drug cosmetics mix, fragrances produce the bulk of sales, followed closely by pegged cosmetics. The fastest growing segment is the facial treatment area, whose expansion is being fueled by the aging of the population.

Total cosmetics growth has flattened over the years, making it more crucial than ever for drug chains to entice former department store shoppers. Overall, cosmetics sales last year increased only 1% to 2%, while drug chains managed to squeeze out an 8.9% sales growth.

While almost 50% of those surveyed last purchased cosmetics at a drug store, an even greater percentage, 76%, reported that they have at sometime purchased cosmetics at a drug store.

Based on the total number of shoppers who last purchased in a drug store, it is apparent that cosmetics is a high-impulse category.

Where customers last purchased cosmetics



Drug store lead in toiletry sales boosted by image

Drug stores are the outlet that the majority of people surveyed in *Drug Store News'* Consumer Study last purchased a toiletry item.

In fact, 40% of those questioned had selected a drug store, compared with 33% who last shopped in a supermarket. Over the past few years, these two outlets have engaged in a fierce battle to command the toiletry market. Although drug stores fared better overall, supermarkets outperformed drug outlets in the New England and South Central States. Those who did not last purchase in a drug outlet often made less than two trips to the store and had a household income under \$10,000.

The image of the drug store—the health atmosphere provided by the pharmacy—helps keep drug stores ahead of food units when it comes to toiletry goods. Additionally, drug stores are willing to devote greater space to these heavily skud areas.

The loyalty to the drug store is even more dramatically demonstrated by examining the answers of customers when asked if they ever shop a drug store for toiletries. Almost 90% said yes, making toiletries one of the categories customers associate with drug stores.

This toiletry shopper is likely to be a frequent visitor to her favorite drug stores. For example, only 14.5% of the total survey said they shop at a drug store as many as five times per month. Of those shopping a drug store for toiletries, however, almost 18% said they visit the store five or more times.

And she's prone to impulse purchases—perhaps the new shampoo featured in a floor display or the sun care item on the endcap. Twenty per cent said they'll always buy on impulse while 47% said they'll sometimes make an impulse purchase.

Drug stores also tend to attract the single shopper more often than other outlets. Only 10% of those shopping for toiletries in a supermarket were single, while 16% of those last purchasing toiletries in a drug store were.

This single shopper is upwardly mobile with a decent discretionary income that she is prepared to spend on toiletry items. This has enabled drug stores to realize an 8% sales gain in toiletry sales last year for a total of \$3.3 billion. This category, which accounts for 12% of total chain sales, is one of the areas drug chains now stress as they take a back-to-basics approach to merchandising their stores.

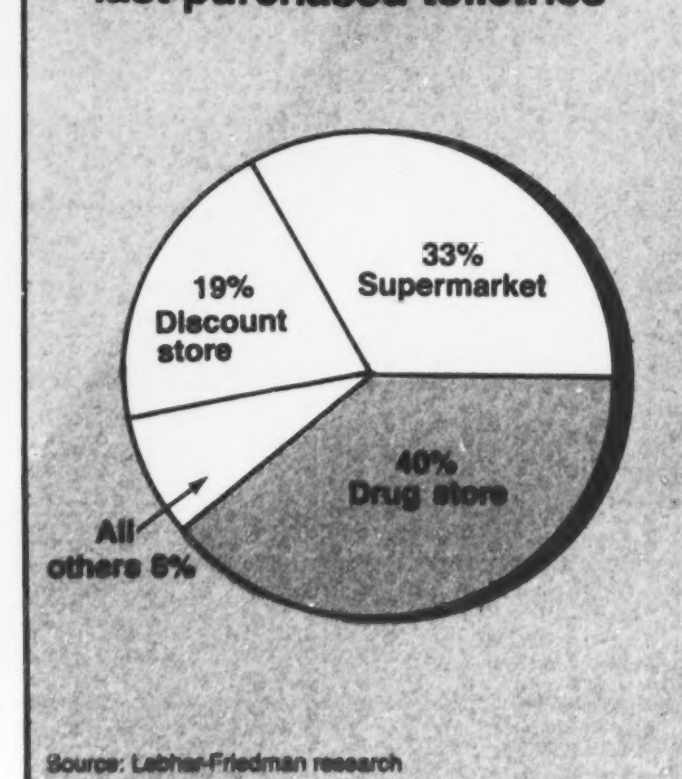
One of the fastest growing segments of toiletries is skin care accounting for almost 12% of toiletry sales. Deodorants command about the same share followed by men's toiletries and shampoos.

Conditioners are also gaining in popularity as are new hair care goods, including free-styling mousse items.

Another area with potential in toiletries is ethnic hair care, now an \$800 million market. Drug chains currently offer as much as 40-ft. of ethnic hair goods.

Although drug units must continue to fight the battle against supermarkets, a new foe appears to be the discount store, mentioned as the site of the last toiletry purchase by 19% of those surveyed.

Where customers last purchased toiletries



Emphasis on skin care pays

The drug store emphasis on developing a wide variety of skin care items is apparently paying solid dividends. This is supported by the fact that almost 50% of the consumers surveyed indicated that the last outlet in which they purchased a skin care product was a drug store.

This is in contrast to department stores, which were selected by only 6% of the consumers as the place where such products were last purchased, and discount stores, which were singled out by only 14%.

In addition, 81% of those interviewed noted that drug stores have been a source for skin care at one time or another—an indication of the strong image drug stores maintain in the category. In fact, based on the survey, customers are

more likely to buy skin care at a drug store than they are to buy film, cosmetics or baby needs.

The survey shows that the retail sector gathering the most steam is supermarkets, which are now adding more footage to the category. That is because it yields gross margins in the 35% range—significantly higher than most food store merchandise. Twenty per cent of those questioned by *Drug Store News* made their last skin care purchase at a supermarket.

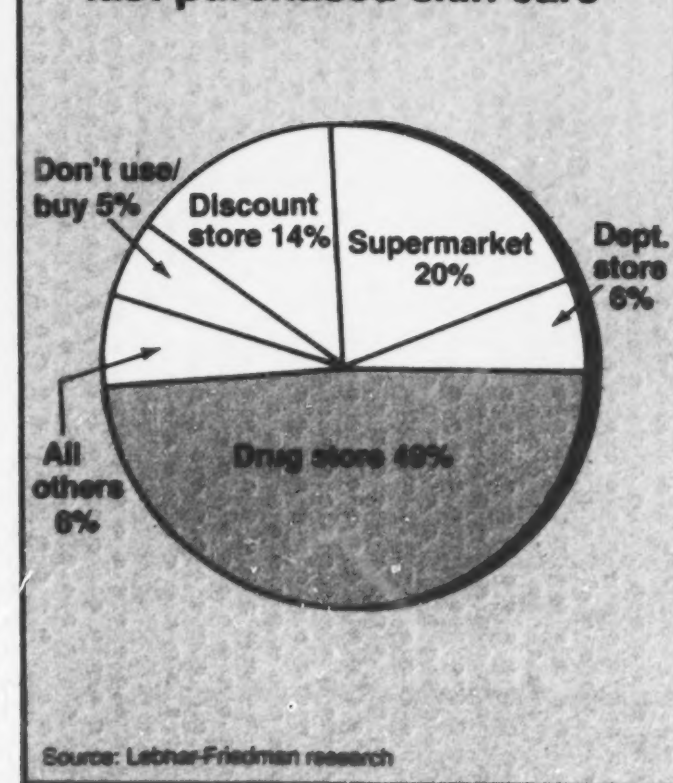
However, drug stores have the space to house more of the new skin care products filtering into the market. For example, natural products are gaining in favor, as are therapeutically positioned skin products. There is also an increase in soaps with skin care ingredients plus "all over" skin care products that can be used in the shower. Because drug stores have the space as well as the merchandising expertise, retailers expect drug stores to hold their market share in this burgeoning category.

Retailers must make sure they have the latest merchandise because 20% of those coming into the drug store with a shopping list will "always" make an impulse purchase and are indeed shoppers who can be swayed by attractive store displays.

Footage devoted to skin care has ballooned from what was once a 3-ft. section to well over 16 ft. in most drug chains. The mix includes such items as facial soaps, moisturizing lotions, new men's moisturizing shave lotions, scrubs, sponge/loofas, acne and bath.

Overall, skin care sales jumped 15% last year to a total of \$2.35 billion.

Where customers last purchased skin care



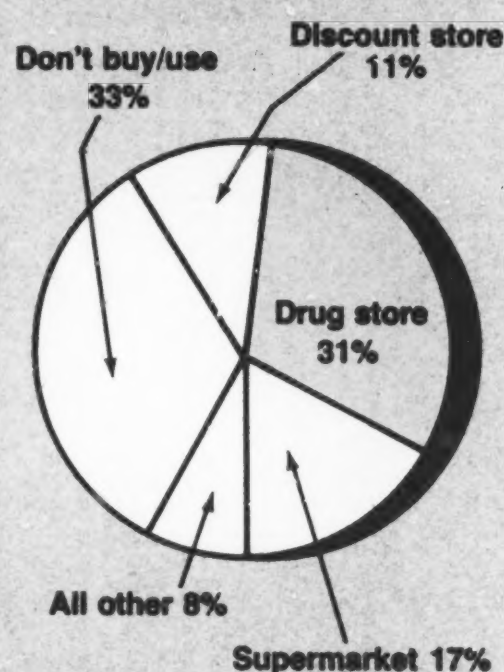
THIRD ANNUAL CONSUMER STUDY



I shop at this store because it is walking distance from the convalescent home where I stay. My son phones in the prescriptions and I walk over and pick them up. If the prescription isn't ready, I walk around and pick up items I like such as candy and items I need.

Drug stores still parents' choice for baby needs

Where customers last purchased baby needs



Source: Lehbar-Friedman research

In the competitive baby market, drug stores have been able to woo more parents despite constant efforts to build market share by supermarkets.

In *Drug Store News*' recent survey of shoppers, a hefty 31% indicated that they last purchased baby needs at a drug store. Almost 60% of the sample reported that it was a chain rather than an independent.

But, supermarkets are hungry for more of the traffic and often slice margins on necessity items such as diapers and formula in hopes of enticing sales of higher margin accessories. Supermarkets, however, were the most recent source of baby needs for 17% of the survey respondents.

Drug chains are also hoping that the parent will purchase a baby toy or feeding dish on their drug store visit. Many chains have remerchandised the department to induce impulse purchases by placing accessories on pegs hanging over diapers and formulas. The feeling is that you can almost give the diapers away and make up

the profit on accessories. This tactic is on target, according to the survey, because the drug store baby care consumer is likely to buy impulse goods.

Parents, probably because of their manny needs, visit a store more frequently. For example, the total surveyed showed that only 14% of all shoppers visit a drug store five

times or more per month.

The baby category is a critical area for all retailers because of the current baby boomlet. In drug stores alone, baby sales are rising 13% annually. Once again, the drug store's largest battle is with the supermarket where retailers estimate that 75% of all disposable diapers are sold.

Discount stores lead in toy sales

Toys and electronic games are sought by consumers primarily at discount stores, but drug stores are the surprising third choice as an

outlet for these products.

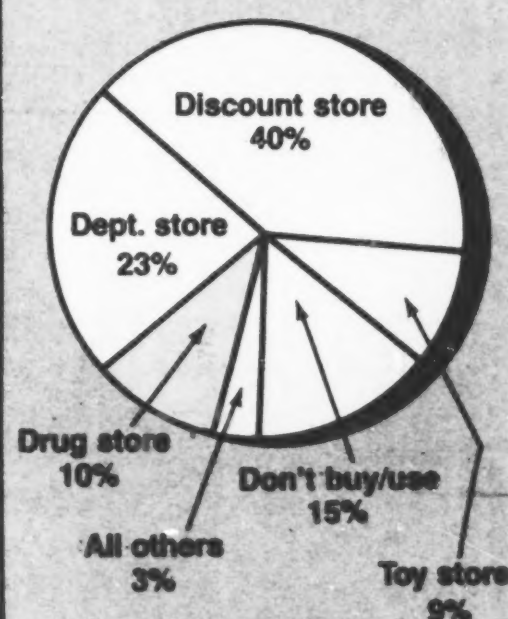
The *Drug Store News* consumer survey indicates 11% of those who buy toys made their last purchase in a drug store,

and 7% of the electronic games customers made their last purchase in a drug store.

Discount stores dominate both areas, where nearly 47% of the toy shoppers made their last purchase and where 43% of the electronic game customers made their last purchase.

Department stores ranked second in both categories, with 27% of the last toy sales and

Where customers last purchased toy



Source: Lehbar-Friedman research

31% of the last electronic game sales.

Toy stores accounted for 11% of the last toy sales and slightly over 7% of the last electronic game sales.

While only 15% of those surveyed said they do not buy toys, 55% said they do not use electronic games.

That means that consumers are three times more likely to buy a toy than an electronic game in a drug store.

However, electronic games are the fastest-growing segment of the toy business. Last year, the Toy Manufacturers of America reported total toy sales would have declined if electronic games were not included.

Although many drug chains last year did not sell electronic games because of their relatively high price, many buyers said they will have to enter this market as it becomes more of a factor in the toy business. While costs of hardware such as game machines and home computers proved to tie up too much inventory for some chains, most buyers felt the cost of game cartridges was affordable.



The odds are six to one you'll sell more videotape with JVC's new six pack.

We bet when lots of your customers come in to buy a JVC VHS videocassette, they won't walk out with one. They'll take home a six pack. That's because when you stock JVC's new six pack, it's easier to sell six tapes at once. Which means it's easier to make six times more profit.

JVC's six pack gives your customers six times as much to look forward to. And to listen to. They can find a package deal that offers a better deal than JVC's.

So make sure your customers see this JVC sales innovation. Put it in your windows and on display. Even stacks will.

So why gamble? Get JVC's six pack and be a winner every time.

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TAKE HOME A SIX PACK

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JVC VHS VIDEO CASSETTES

THIRD ANNUAL CONSUMER STUDY



I am very price-conscious. I buy paper and plastics in the supermarket because they are cheaper than a drug store. I buy cookies in the drug store because they are less than at the supermarket.

Drug store sunglass sales continue to shine

Persons with higher incomes are more likely to buy and use sunglasses, and when they do they are more likely to buy them in a drug store than any other type of retail outlet.

That's one conclusion from *Drug Store News'* third annual consumer survey on the buying patterns of sunglass users.

Nearly 4 out of every 5 persons interviewed in the nationwide survey said they either bought or used sunglasses. Forty-one per cent of the user/respondent made their last purchase of sunglasses in a drug store. Discount stores accounted for another 20% of the survey respondents' most recent purchase of sunglasses

while department stores, with 17%, ranked third. Nearly 3 of every 5 drug store purchasers of sunglasses interviewed (58%) said they shopped most often in a chain drug store.

Ninety per cent of the persons interviewed with total family incomes exceeding \$25,000 annually said they were buyers and users of sunglasses. Forty per cent of those in this income category bought sunglasses at drug stores. Seventy-nine per cent of those in the \$10,000 to \$24,900 annual income category were sunglass buyers, while 70% of those in the under-\$10,000 annual income category bought sunglasses.

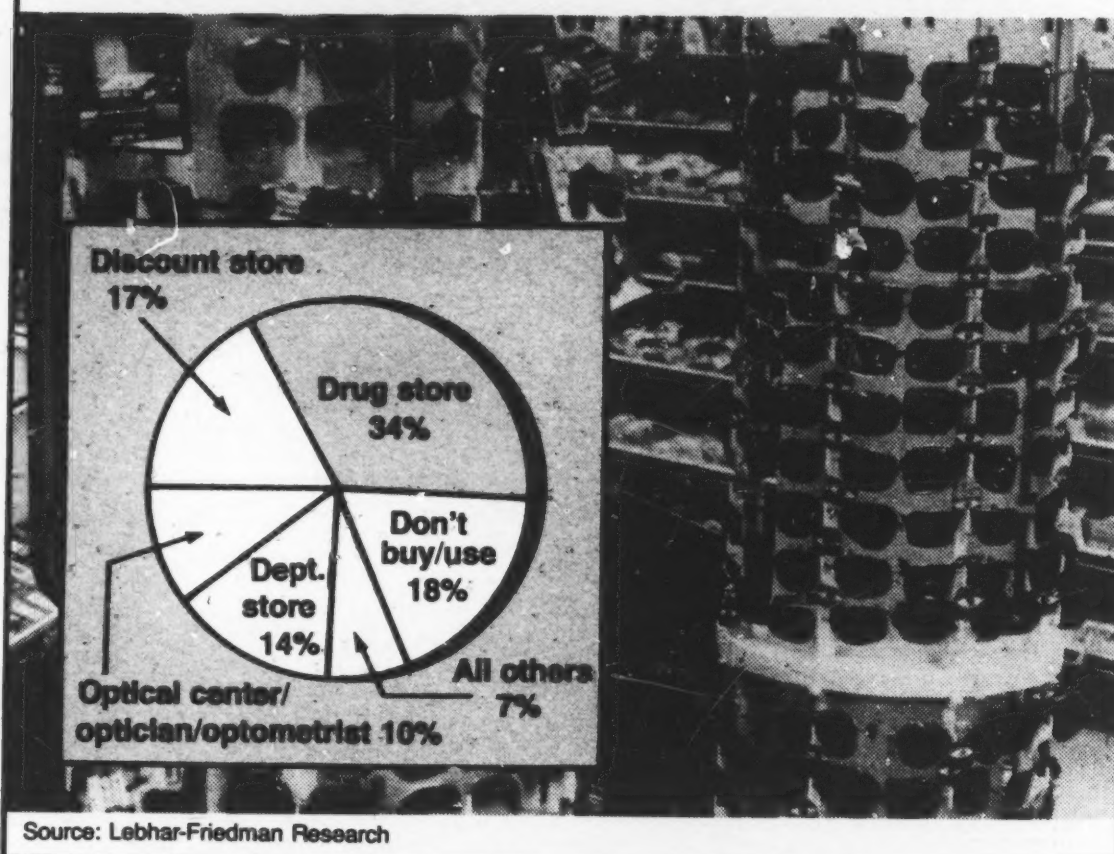
Survey results suggested

that consumers in rural and suburban areas were more inclined to purchase sunglasses at a drug store than were their urban counterparts.

Persons who buy sunglasses in drug stores tend to be frequent shoppers according to the survey results. More than half (55%) of the sunglasses buyers who shop drug stores said they visited a drug store three or more times each month. Forty-five per cent said they visited a drug store at least twice each month.

Drug stores, industry experts say, dominate both the low- and medium-priced segments of the sunglasses market, estimated to generate \$700 million annually in retail sales.

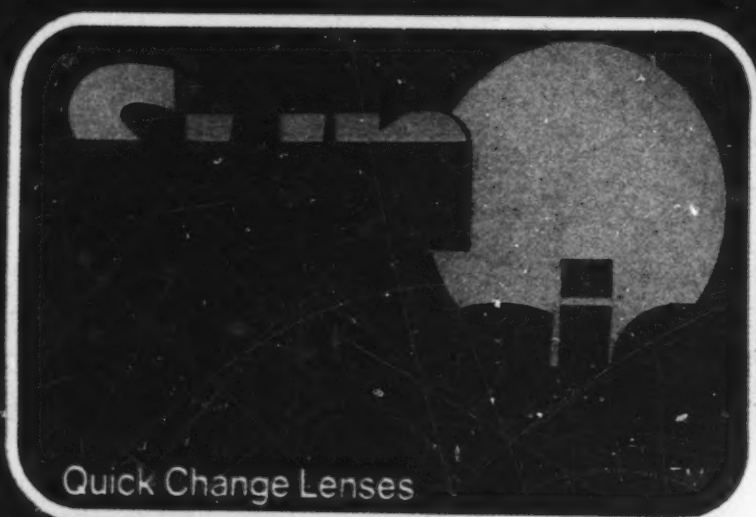
Where customers last purchased sunglasses.



FASTO CHANG Sunglasses with SunMagic Quick Change Lenses

SunMagic®, a quick change artist if there ever was one, is always dark; but back in the dark, poof, they're light. The photochromic material makes that switch faster.

They're manufactured in the United States and are precision ground.



Clock buyers cite price, convenience

When convenience and price are important, drug stores tend to become a more popular outlet for the purchase of clocks, watches and jewelry.

People who buy these products at their local drug stores tend to be 35 years of age and older living in rural areas with incomes under \$25,000. For them, the drug store is a conveniently located outlet with reasonable price points. To this end, the vast majority of drug stores have included small clock and watch selections in their mix. Eckerd, for example, has been extremely successful with a wall clock program. Clocks and watches often are used in chain coupon books as a traffic draw, as well. Jewelry has also become a staple item within the drug chain's mix.

Diversified market

The *Drug Store News* survey showed that 15.2% of all respondents last purchased a clock or watch at a drug store. The leading retail outlet for these items, the survey showed, are discount stores with 33%, followed by department stores with 28%.

In jewelry, drug stores only represented 8% of respondents' most recent purchases. However, retailers expect this to increase as jewelry departments are upgraded to rival those of department stores. Department stores, in the *Drug Store News* survey, accounted for 31% of sales; jewelry stores accounted for 33%. This is supported by the fact that 24% of the shoppers did indicate that they have purchased jewelry in a drug store.

PEACE ON EARTH

HERPECIN-L®

Cold Sore Lip Balm. "It Works!"
Write: CAMPBELL LABORATORIES, INC.
P.O. Box 812-A, FDR, NY, NY 10150

I buy health and beauty aids at the drug store because selection is better than at the grocery store, although prices are competitive. I buy paper goods at the drug store or supermarket, whichever is most convenient. I pay attention to the ad specials.



THIRD ANNUAL CONSUMER STUDY

Drug stores 'show' in race for beer and liquor sales

When customers are hungry, thirsty or are looking for an alcoholic beverage, they sometimes shop in drug stores. But they usually buy their liquor, wine and beer in a supermarket or liquor store. They also usually buy their snacks, foods and soft drinks in a supermarket.

Still, drug stores ranked third as the location where outlets for liquor, wine, and beer and groceries were last purchased, second as the place where soda and snacks were last purchased.

Only 6% of all beer purchasers in the third annual *Drug Store News* consumer study said they made their last beer purchase in a drug store. That was less than the 49% who bought the product in a supermarket and the 31% who bought it in a liquor store. However, the number of beer consumers who last bought beer in a drug store was triple the number who bought it in department and discount stores and nearly double the number who bought it in convenience stores.

For wine and liquor sales, drug stores remained in third place. Eight per cent of the users said they made their last purchase in a drug store. That was less than the 51% who made their last purchase in a liquor store and the 33% who made their last purchase in a supermarket.

Once again, drug stores were more than twice as popular an outlet for such purchases than discount stores (3%), convenience stores (1.7%) and department stores (0.5%).

Although the percentages of men and women who made their last beer, wine and liquor purchases in a drug store were approximately equal, men were more likely to ever have bought the products at some time in their lives in drug stores.

Twenty-six per cent of the men surveyed said they bought beer at some time in a drug store, or twice the number (13%) of women.

In the wine and liquor category, 21% of the men surveyed said they once bought such products in a drug store.

Only 16% of the women surveyed bought in a drug store.

Alcohol consumption at all outlets decreased as consumers aged, but older people gave up beer faster than they gave up wine and liquor.

In the under 35 age group, 85.2% of those surveyed said they drank beer and 84.6% said they drank wine and liquor. In the 35 to 49 age group, 69.7% said they drank beer and 74% said they drank wine and liquor.

In the 50 and over category, only 53.6% said they drank beer and 64.6% said they drank wine and liquor.

Single people were more likely to drink, with only 18.7% re-

porting they do not drink beer, compared to 28.7% of the total population.

With wine and liquor, only 13.2% of single people reported they do not drink compared to 25.1% of the total population.

When it comes to snack foods, 5.3% of those surveyed said they made their last purchase at a drug store. That was behind the 86.4% who said they made the last purchase at a supermarket, but nearly double the 2.7% who said they made the last purchase at a discount store.

Buying habits were similar for soda. Eighty-three per cent of those surveyed said they made their last soft drink purchase at a supermarket and 5.1% said they made the last purchase in a drug store.

Drug stores were twice as popular among soft drink buyers as discount stores, where 2.1% said they bought their last soda, and convenience stores, where 2.3% said they bought their last soda.

With groceries, 94.8% of those surveyed said they bought the products in a supermarket.



Three times as many respondents said they last purchased beer in a drug store as in a discount store.

A GROWING FAMILY MEANS GROWING PROFITS!

Now Eve Lights has two great cigarettes. And a 71% increase in our consumer advertising will really make your sales grow!

EVE
LIGHTS 120's

The cigarette whose sales grew 77% last year!

NEW EVE
SLIM LIGHTS 100's

The new slim 100 in a box that's going to grow even faster!

Eve
LIGHTS

Profit from Eve Lights growth!

Notice to all retailers: Liggett & Myers Tobacco Company, Inc. periodically offers promotional advertising and merchandising and display programs on a proportionately equal basis to all retailers, regardless of size. For more details, contact your Liggett & Myers representative or write to Liggett & Myers Tobacco Company, Inc., P.O. Box 1000, Durham, North Carolina 27701. All offers limited to U.S.A.



I generally will shop at the store that is running the best specials.



THIRD ANNUAL CONSUMER STUDY

Tobacco a strong drug store draw

While nearly half of the primary drug store shoppers surveyed by *Drug Store News* say they never buy or use tobacco products, those who do so are most likely to buy them in a supermarket or drug store.

Survey results reflect the fact that women, as the primary drug store shopper in most households, are more likely to purchase cigarettes and other tobacco products in supermarkets than in a drug store. All consumers, especially women of course, typically visit supermarkets more frequently than they do drug stores.

And with 40% of the drug store tobacco purchasers say-

ing they last spent \$11 to \$20 per visit, it appears tobacco users typically buy other merchandise when they stop for tobacco products.

According to survey results, women are more likely to buy and use tobacco products, primarily cigarettes, than are men. Fifty-six per cent of the women surveyed said they bought or used the products while 50% of all men surveyed

did so. By a 35% to 50% ratio, women who buy/use tobacco are more likely to buy tobacco products in a supermarket than are men.

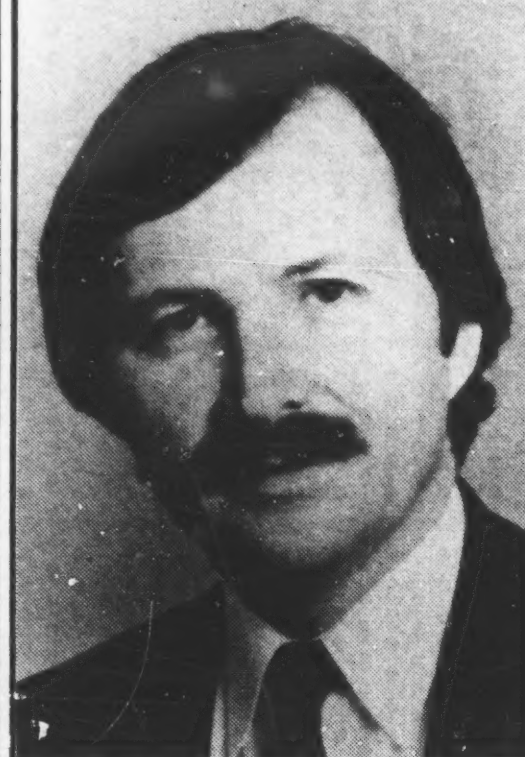
Following supermarkets, drug stores are the second most frequent source of tobacco products among the consumers surveyed. Forty-seven per cent of the user respondents said they had made their last tobacco purchase in a supermarket while 29% had made their last purchase in a drug store. By nearly a 2-to-1 ratio (65% vs. 34%), drug store buyers of tobacco products said they most often shopped a chain drug store rather than an independent.

Where customers last purchased tobacco



Source: Lebar-Friedman Research

Imasco Limited



David Bloom

The Board of Directors of Imasco Limited, Montréal, announces the appointment of Mr. David Bloom as director of the Corporation.

Mr. Bloom is President and Chief Executive Officer of Shoppers Drug Mart, Toronto, a division of Imasco Limited.

Where customers last purchased candy



Source: Lebar-Friedman Research

Drug stores fare well in candy sales

When consumers want to buy gum and candy, there's a good chance they will pick up the items at a drug store.

In fact, 24.8% of those polled in the third annual *Drug Store News* consumer survey reported making their last gum or candy purchase in a drug store.

That percentage was second only to the 52.3% of those surveyed who reported last buying these products in a supermarket. Drug stores finished well ahead of discount stores (where 8.7% of those surveyed made their last gum and candy purchase), convenience stores (3.7%) and department stores (1.6%).

Although the percentage of consumers who made their last candy and gum purchase at a drug store was 24.8%, 76% of those surveyed said they bought the products in a drug store at some time.

Women are more likely than men to chew gum and eat candy. While 95.5% of the women surveyed said they have used the products only 88.7% of the men surveyed said they did.

Women were also more likely than men to have bought the products in drug stores.

It took nine years of research and a game of basketball to make a label printer this good.

Back when we first began work on our new line of METO® label printers for pricing and coding, we paid a visit to some stock clerks in Connecticut. The gang, it seems, loved basketball and had a habit of putting their label printers away with 40-foot jump shots across the stockroom floor. Unfortunately, their shooting percentage was terrible.

But in the fragments of their splintered printers, we began to see how we might make a new line of tools that were both durable and affordable. And after nine long years of engineering, testing and plain old hard work, we've finally done it. Our newest label printers cost less than any METO, Dymo® or Primark® tool we've ever made. And along with being inexpensive, they're practically indestructible.

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slam-dunking. Like all our labelers, they have the exclusive Perfect-Print™ feature for crisp, clean, consistently clear labels every time. Whether you have a delicate grip or one that's more like a Celtic.

Perfect-Print means less waste when you're printing labels. Even better, it means fewer costly mistakes when you're reading them.

And our stock and custom labels come in just about any size and color you could want. With adhesives that stick them to just about anything you could want.

Call your Meto Representative at 1-800-645-3290 (in NY, 1-800-632-3329) or write Meto Division, Esselte Pendaflex Corp., Clinton Rd., Garden City, NY 11530. We'll give you more reasons why Meto saves. Even if your stock clerks never miss.

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METO SAVES

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THIRD ANNUAL CONSUMER STUDY



My bus stops at this corner, so I can shop quickly at this store if I have to get something. I just ran in and bought some candy.

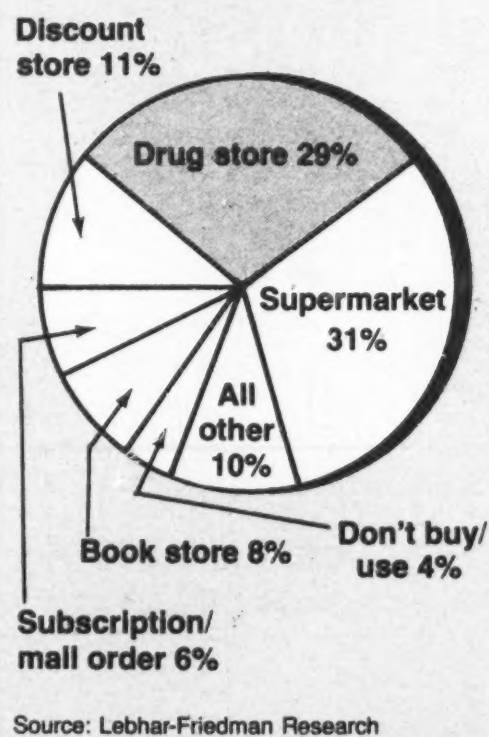
Drug stores, supers head book/magazine sales

Drug stores and supermarkets are running neck and neck as the leading outlet for books and magazines, according to the *Drug Store News*' third annual consumer study.

Nearly 31% of the consumers surveyed said they last purchased books and magazines in a supermarket, while 29% said they last bought the products in a drug store. Sixty per cent of the drug store book purchasers shop at a chain rather than an independent store.

Discount stores placed a distant third with approximately 10% of the consumers saying they last bought a book or magazine there. Only 7.9% said they last bought the products in

Where customers last purchased books/magazines



a book store.

Despite the close race between supermarkets and drug stores, there are a few key demographics differentiating drug store and supermarket shoppers.

For example, the survey showed that buyers of books and magazines in drug stores tend to be younger than those

who purchase these items in supermarkets. In addition, survey results indicate that by almost a 3-to-1 margin, single persons were more likely to buy books and magazines in a drug store than in a supermarket.

While less than one-third of those surveyed said a drug store was the last place they

bought a book or magazine, 67% of those surveyed had once bought these items in a drug store.

Books and magazines are items drug store shoppers often purchase on a whim.

Drug stores also are well suited for stimulating even more impulse buys.

Drug stores lead pack in stationery

When *Drug Store News* questioned shoppers about where they last purchased stationery, about one-third (34%) responded in a drug store. That was a signifi-

cantly higher percentage than those whose most recent purchase was at a discount store (25%), department store (11.5%), supermarket (11%) and even stationery store (5.5%).

Although it is a small part of the chain drug mix, the stationery department has been showing sales increases of at least 8% over the last few years as chains continue to develop small home/office selections. Drug stores today carry everything from writing instruments to social stationery.

A young, freespending clientele has come to appreciate the drug store as an outlet for stationery products.

In proportion to other retail outlets, drug and department

Where customers last purchased stationery



stores attract more single shoppers for stationery.

Stationery shopping habits vary by region as well. Drug stores tend to be strong in the West, but weak in the New England area where discount stores tend to serve more customers.

Drug stores were selected most frequently by families with incomes in the \$10,000 and up range.

Commercial stationery stores, which operate on margins of 70% to 80%, have lost sales to both discounters and drug stores who can sell the items at margins of 33% to 50%.

Potential growth areas in this category include erasable pens, licensed goods as well as home and office. Greeting cards account for 33.9% of total stationery sales while school/home/office follows with a 25.5% share. The best selling home office items are manila envelopes, large yellow pads, filing boxes and index cards.

SEASON'S GREETINGS

HERPECIN-L

Cold Sore Lip Balm. "It Works!"
Write: CAMPBELL LABORATORIES, INC.
P.O. Box 812-A, FDR, NY, NY 10150

WINTER WINNERS



Family Circle and Walt Disney World can make them big sellers for you!

Here's why.

In 1984, Family Circle again presents Winter Survival Sweepstakes—the exciting drug store promotion that features the six products shown and offers consumers a shot at the Grand Prize of a trip for 4 to Walt Disney World Vacation Kingdom.

Winter Survival Sweepstakes will be announced with a 4-color full page ad in Family Circle's January 3rd issue. Readers will be encouraged to include proof-of-purchase with their Sweepstakes entries.

This means customers—like yours—will be buying BENYLIN, BUFFERIN, CENTRUM, JR., MYADEC, PAMPERS and TUCKS. Be ready for the run on these products!

Tie in with colorful display post-

ers, rack cards and ad slicks (to be distributed in advance) December through January 3rd. Most importantly—stock your shelves now with BENYLIN, BUFFERIN, CENTRUM, JR., MYADEC, PAMPERS and TUCKS.

Remember, the Family Circle Winter Survival Sweepstakes ad will reach over 30 million responsive readers in the January 4th issue. Support the Sweepstakes products in your store and you'll be a winter winner, too.



Winter Survival products sold at these and other stores: CVS, Carls Drug Co. Inc., Carrs Quality Centers, Clark Drugs, Crown Drugs, Dart Drug Corp., Duane Reade Drugs, Gray Drug Fair, Hi-School Pharmacy, Hook Drugs, Inc., Mark Drug Co., May's Drug Stores, Muir Drug Stores, Pill and Puff Stores, Rea and Derick Drugs, Ribordy Drugs, Rix Super Drug Stores, Super X, Warehouse Drugs, L. F. Widmann, Inc.

Family Circle puts the "win" in Winter Drug Store Sales!

A New York Times Company
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**N.J. chains fight
coupon ban—p.25**

**MERCHANDISER
Buyers see rise of
branded phones—p. 49**

DRUG STORE NEWS

Serving the Retail Drug Store Industry for 55 years

Published by Lebhar-Friedman Inc./January 9, 1984

Save Chains check out scanners

**interius
to expand
Schuck's**

By Mike Dunn

SEATTLE—Pay 'n Save's acquisition of the 58-store Schuck's Auto Supply chain puts the West Coast retailer on the same trail successfully blazed by Dart, Thrifty, Perry and Malone & Hyde.

All of the drug chains except Thrifty have profited from their

NEWS ANALYSIS

auto stores, and Thrifty's Trak Auto West chain is expected to be profitable in 1984.

Schuck's is one of the dominant automotive specialty stores in the Pacific Northwest. Pay 'n Save has agreed to acquire the stores and an 85,000-sq.-ft. warehouse for approximately \$70 million of Pay 'n Save common stock.

"Schuck's is an excellent growth vehicle, and we plan an aggressive expansion program," said M. Lamont Bean, chairman of Pay 'n Save.

"The firm is well established and is a leader in the auto supply industry. The merger will

Continued on page 58

NEW YORK—Revco, SuperRx, Medi Mart and Drug Fair of New Jersey have joined the growing list of both large and small chains planning to launch limited in-store tests of checkout scanning systems early this year.

Along with Florida-based Eckerd Drug, which also plans a limited test of scanning equipment early this year, these chains will venture into a segment of retail technology that is fast becoming commonplace in the grocery store industry.

Under the auspices of a Chicago marketing consultant, several drug chains have already installed laser scanners in stores located in Marion, Ind., Midland, Tex., Pittsfield, Mass., and Eau Claire, Wis. In addition, Revco has installed 11 scanners in its first low margin H&BA store in Memphis.

Both Giant Foods and the Jewel Companies, through its Osco and Sav-On drug store divisions, are also testing scanning equipment in freestanding drug or food/drug combination stores.

However, the tests to begin this year by Eckerd, Revco, SuperRx, Medi Mart and Drug Fair N.J. represent the initial foray into scanning by drug store chains themselves.

Although a rapid conversion to checkout scanning in drug stores is unlikely, top manage-

ment at several chains has recognized that, in the words of Eckerd Drug chairman and president Stewart Turley, "it's getting close to the point where scanning will be more feasible" in drug stores.

Industry sources now estimate that at least 60% of all merchandise carried in the typical chain drug store is UPC coded and that 80% of all checkout transactions are comprised of products carrying the UPC code. With the number of UPC-coded items going up, and the price of buying, installing and maintaining scanning equipment coming down, the movement toward checkout scanning in drug stores is gradually picking up steam.

Continued on page 57



Drug store laser scanning is becoming more practicable as equipment prices come down and the number of UPC-coded products increases.

12% to 20% gains reported

Yule sales ring chains' bells

By Faye Brookman

NEW YORK—The rebounding economy, coupled with strategic promotional programs, helped make Christmas 1983 one of the hottest selling seasons in the past five years for drug stores.

Most chains reported sales increases of at least 12% over the previous year, and many cit-

ed gains as hefty as 20%.

Interviews conducted just prior to Christmas with representatives of 15 chains across the country revealed that the Yule season arrived earlier than usual, making sell-through cleaner than ever.

But while this early sales explosion was a relief to managers who usually sweat out the last-

minute rush, it caused many retailers to scramble in search of suppliers to fill in out-of-stocks.

The hottest categories, according to buyers, were toys, candy, trim-a-tree, electronics, fragrance sets, telephones and gifts promoted in Christmas catalogs. Most out-of-stocks appeared in these sought-after

Continued on page 57

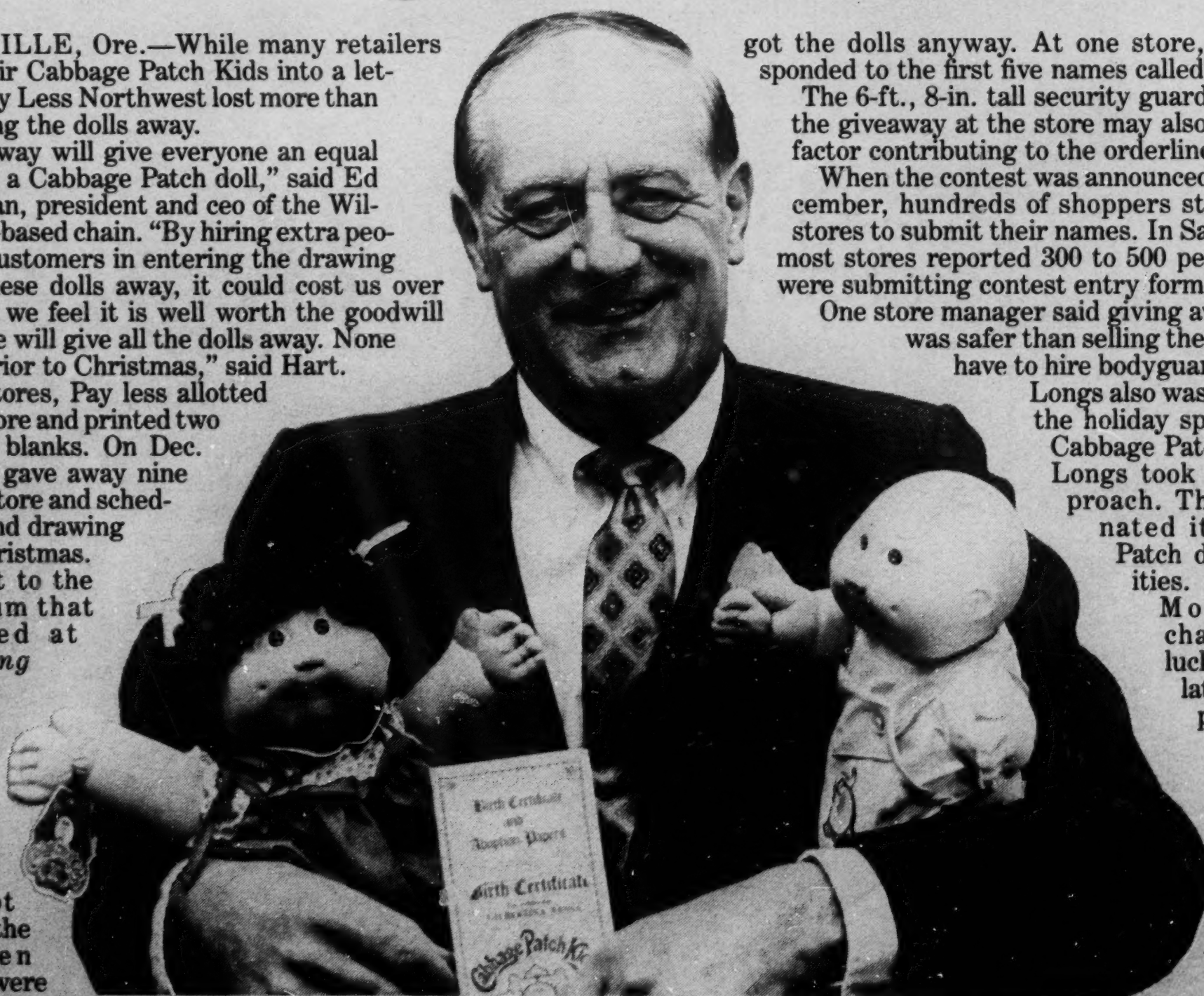
Pay Less NW: great Cabbage giveaway

WILSONVILLE, Ore.—While many retailers converted their Cabbage Patch Kids into a lettuce patch, Pay Less Northwest lost more than \$200,000 giving the dolls away.

"This giveaway will give everyone an equal chance to win a Cabbage Patch doll," said Ed Hart, chairman, president and ceo of the Wilsonville, Ore.-based chain. "By hiring extra people to assist customers in entering the drawing and giving these dolls away, it could cost us over \$200,000, but we feel it is well worth the goodwill generated. We will give all the dolls away. None will be sold prior to Christmas," said Hart.

With 150 stores, Pay less allotted 18 dolls per store and printed two million entry blanks. On Dec. 16, the chain gave away nine dolls at each store and scheduled the second drawing for before Christmas.

In contrast to the pandemonium that has erupted at stores selling the dolls, all was orderly when the first set of dolls were given away by Pay Less. Winners did not have to be in the stores when their names were announced. They



Ed Hart, chairman of Pay Less Drug Stores, cuddles Cabbage Patch dolls.

got the dolls anyway. At one store, nobody responded to the first five names called.

The 6-ft., 8-in. tall security guard supervising the giveaway at the store may also have been a factor contributing to the orderliness.

When the contest was announced in early December, hundreds of shoppers streamed into stores to submit their names. In San Francisco, most stores reported 300 to 500 people per day were submitting contest entry forms.

One store manager said giving away the dolls was safer than selling them. "We don't have to hire bodyguards," he said.

Longs also was caught up in the holiday spirit with the Cabbage Patch Kids. But Longs took another approach. The chain donated its Cabbage Patch dolls to charities.

Most drug chains weren't lucky enough to latch on to the popular dolls.

However, drug stores reported a brisk sell-through of Cabbage Patch accessory items such as Cosrich's

Children's Makeup.

1984: EXECS SEE SALES GAINS

- Chain drug execs see moderate sales gains this year, but plan to run "tight ships" to combat discounters—p. 2.

SPECIAL REPORT ON DIABETICS

- Diabetics shop more often at pharmacies and spend more money than the average shopper—p. 32.

SPORTS MEDICINE

- The new emphasis on fitness has boosted first aid and footcare sales—p. 49.

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CONTINUING EDUCATION PROGRAM

Review of antiarthritic drug therapy—pp. 15-22, and new antiarthritic drugs—pp. 27-34.

FINANCIAL

Perry reports record profits for fiscal '83

PONTIAC, Mich.—Perry wound up its fiscal year ended Oct. 31 with a 58% increase in profits and a 17% gain in sales, the best year ever recorded by the chain.

Net earnings for the year were \$4.5 million, compared to \$2.9 million last year, while sales rose to \$285.5 million from \$244.3 million.

Earnings per share were \$1.02, 40% higher than the 73¢ achieved in the previous year.

"Perry has just concluded an exceptional year," said Jack A. Robinson, chairman and ceo. "Our achievements this past year have positioned us extremely well for a similar performance in the new fiscal year as well as continued profitable growth in our businesses."

For the fourth quarter, the chain recorded net profits of

\$1.3 million, a 131% increase over the \$560,000 reported for the corresponding period last year. Sales for the quarter were \$76.5 million, up 24% from \$61.5 million a year ago. Earnings per share increased 71%.

The Pontiac, Mich.-based diversified retailer operates 186 stores in six states.

American Stores net rises

SALT LAKE CITY—American Stores Company reported that net earnings increased 45% to \$22.8 million during the third quarter ended Oct. 29.

Net income per share increased 52% from 44¢ in the third quarter 1982 to 67¢ for the third quarter 1983.

Sales for the third quarter

Third qtr. pretax earnings decline at Sav-On and Osco

CHICAGO—Pretax earnings for Sav-On and Osco declined 6.9% while sales increased 11.3% for the quarter ended Nov. 5, according to third-quarter results from the Jewel Companies Inc.

Sales at Jewel's drug store divisions for the quarter were

\$403.9 million, up from \$362.8 million. Operating earnings were \$6.97 million, down from \$7.49 million. Osco and Sav-On combined operate 492 drug stores in 25 states.

For the 40 weeks ended Nov. 5, operating earnings for the drug store divisions were \$36.2 million, up 11.4% from the comparable quarter last year.

Sales at the drug store divisions for the three quarters were \$1.32 billion, up 10.7%.

Overall, Jewel's total sales for the third quarter were \$1.3 billion, virtually the same as the comparable quarter last year.

The corporation's net income was \$13.8 million, down 13.4% from the third quarter last year.

For the first three quarters,

corporate net income was \$52.9 million, down 9% from the comparable period last year. Corporate sales were \$4.3 million, up from \$4.2 million.

In the drug divisions, Sav-On's earnings were impacted by competitive pressures and economic conditions in its markets, by startup expenses in connection with its program of new combination stores in the San Joaquin Valley in California and by costs related to distribution and in-store systems changes.

Although Osco's Christmas sales were described by the corporation as "excellent," the division's third-quarter gross margins were not as high as expected.

For additional financial news, see page 54

Pay 'n Save leads widespread stock decline

		STOCK PRICE							TREND TO MARKET				EARNINGS/SHARE					P/E	DIVIDENDS			FINANCIAL POSITION						
		12/2/83—12/19/83							Price Trend (% per day)		Volume Trend (% per day)		Last Fiscal Year	Latest 12 Months vs Preceding 12 Months Change		5-Year Annual Growth Rate	Profit Margin	Latest P/E Ratio	Indicated Divd. Rate		Last X-Dvd. Date	Last Fiscal Year		Current Ratio	Last Fiscal Year (Per Share)		Last Balance Sheet Date	
Name	Symbol	High	Low	Close	Amt.	Pct.	High	Low	Last 30 Days	Last 5 Days	Last 30 Days	Last 5 Days		Amt.	Pct.				Amt.	Yield		Revenue	Earnings		Debt	Equity		
—	—	\$	\$	\$	\$	%	\$	\$	%	%	%	%	\$	\$	%	%	%	\$	%	—	\$ Mil.	\$ Mil.	—	\$	\$	—		
Chain Store transactions																												
Adams Drug	ADG	21.00	20.50	20.88	-13	-60	24.88	8.38	-07	41	-43	-74	1.12	39 N	42.8	17.0	1.6	16.1	.04	2	12-09-83	286.2	4.6	2.8	8.00	9.74	1282	
Am Stores	ASC	42.25	38.00	39.25	-2.75	-6.55	44.00	19.22	-01	-41	07	-53.20	2.69	87 N	35.2	44.0	1.2	11.8	.48	1.2	12-09-83	7507.8	90.4	1.4	11.95	12.14	0183	
Begley Drug	BGLY	18.00	16.50	17.00	-1.00	-5.56	24.00	9.50	-65	91	-1.85	-22.22	1.47	1.27 S	NC	-12.0	1.4	13.4	.68	4.0	10-14-83	56.8	.8	1.8	11.50	17.52	0383	
Big B	BIGB	13.13	12.50	13.13	.50	3.96	14.50	6.38	47	53	-6.16	4.22	.39	12 N	34.2	25.0	2.9	27.9	.00	0	09-21-83	87.4	2.5	2.5	21	3.36	1282	
Dart Drug Corp	DRUGA	65.00	57.00	61.00	-1.00	-1.61	148.00	29.00	-37	-1.54	7.32	52.95	5.43	6.32 N	207.2	67.0	3.1	6.5	.13	2	12-06-83	291.8	9.1	2.0	12.01	28.91	0183	
Eckerd, Jack	ECK	29.25	26.13	26.75	-2.38	-8.15	34.88	23.00	-16	-15	-7.8	-38.19	1.91	16 Q	8.8	4.0	3.1	13.6	.96	3.6	11-03-83	2325.0	71.7	2.0	30	15.17	0783	
Fay's Drug	FAY	14.13	13.00	13.50	-.50	-3.57	14.50	5.69	40	47	-1.66	-12.07	.48	13 N	31.7	32.0	2.0	25.0	.16	1.2	09-06-83	270.3	5.5	2.0	2.17	2.23	0183	
Genovese Drug	GDX	18.50	17.88	18.00	-.38	-2.04	20.50	5.53	.38	12	-3.59	-13.41	.67	26 N	45.6	32.0	1.6	21.7	.16	9	10-06-83	158.7	2.6	1.7	1.90	4.95	0183	
Hook Drugs	HOOK	28.50	28.25	28.50	.25	.89	29.75	15.34	.38	60	1.83	-5.09	1.52	73 N	55.7	10.0	2.3	14.0	1.00	3.5	10-07-83	285.2	6.6	1.7	2.86	9.37	1282	
Longs Drg Strs	LDG	48.88	46.00	47.25	.63	1.34	50.13	33.75	.32	-33	1.20	27.17	2.92	.46 N	16.3	10.0	2.8	14.4	1.12	2.4	11-22-83	1123.2	30.9	1.8	00	18.76	0183	
Pay N Save	PAYN	28.75	24.88	25.13	-2.63	-9.46	28.75	15.19	.13	-86	.96	-16.76	1.52	.89 N	69.5	4.0	1.6	11.6	.56	2.2	11-17-83	1043.2	16.8	2.3	17.01	14.32	0183	
Pay Less NW	PAY	18.00	17.50	17.75	-.25	-1.39	20.19	12.25	.12	12	-.44	1.27	1.07	21 N	21.2	.0	2.5	14.8	.27	1.5	12-19-83	784.7	19.4	2.0	5.26	6.07	0183	
Peoples Drug	PDG	24.63	22.88	24.50	-.25	-1.03	31.75	16.50	-.33	1.10	-4.74	17.93	1.79	40 F	28.7	23.0	1.7	13.7	.28	1.1	11-18-83	791.1	13.7	1.9	4.97	10.08	0982	
Perry Drug	PDS	19.63	18.13	18.25	-.63	-3.31	22.38	7.84	.02	-19	1.61	-39.32	1.02	29 F	39.7	7.0	1.6	17.9	.20	1.1	08-15-83	285.5	4.5	1.9	6.04	6.50	1082	
Revco Drug	RDS	34.88	31.63	34.13	1.50	4.60	36.25	25.09	-12	2.02	-.51	-19.70	2.13	53 S	29.9	24.0	3.7	14.8	.68	2.0	11-18-83	1792.8	66.5	2.5	1.33	11.59	0583	
Rite Aid Corp	RAD	43.75	39.00	39.50	-3.50	-8.14	46.88	28.19	-19	-1.38	4.35	11.82	2.37	52 S	25.6	27.0	3.9	15.5	.64	1.6	10-11-83	1294.7	49.9	1.7	1.17	12.38	0283	
Thrifty Co	TFD	20.38	19.63	20.00	.13	.63	25.25	8.63	.51	24	-3.06	7.42	1.13	21 F	22.8	18.0	1.9	17.7	.46	2.3	11-03-83	1187.8	22.5	1.5	5.62	6.14	0682	
Walgreen Co	WAG	40.38	37.25	38.00	-1.25	-3.18	40.38	26.00	.12	-18	-.32	3.97	2.24	41 F	22.4	35.0	2.9	17.0	.72	1.9	11-04-83	2360.6	69.0	1.6	1.76	11.47	0883	
Wholesaler's transactions																												
Bergen Bruns	BBCA	27.00	24.75	25.25	-.63	-2.42	39.50	24.75	-.28	-1.08	-3.90	9.77	1.60	24 Q	17.0	40.0	1.4	15.3	.32	1.3	10-26-83	1452.0	20.0	1.6	1.22	9.99	0683	
McKesson Co	MCK	41.00	38.75	39.13	-1.63	-3.99	51.00	37.50	-.05	-.22	-.43	14.14	3.44	-.09 S	-2.5	5.0	1.6	11.3	2.40	6.1	11-25-83	4053.7	63.2	1.6	15.78	29.70	0383	
Foxmeyer Co	FOX	23.75	22.25	22.50	-.75	-3.23	28.50	22.25	-.50	-.40	3.93	-3.86	.94	1.32 S	NC	99.0	.7	17.0	.00	0	00-00-00	351.1	2.3	2.2	15.38	3.87	0383	
Ketchum	KCH	16.50	14.75	15.00	-1.63	-9.77	17.81	9.97	.25	.38	-3.89	-5.74	.89	49 S	106.5	112.0	.4	15.8	.00	0	09-26-83	211.4	.9	1.5	5.87	5.68	0483	
Owens & Minor	OBOD	16.75	16.00	16.50	.00	.00	19.25	12.75	-.17	.06	6.68	35.64	.77	18 N	16.3	5.0	.7	12.9	.32	1.9	12-09-83	211.4	1.5	2.8	10.55	9.76	1282	
Spectro Indus	SPO	21.25	19.50	19.50	-1.75	-8.24	28.75	14.88	.20	-.94	-3.37	3.04	1.35	34 S	30.0	50.0	1.6	13.3	.14	.7	12-29-83	339.1	5.4	1.7	2.86	7.24	0383	
Manufacturer's transactions																												
Abbott Labs	ABT	45.88	43.13	45.75	2.25	5.17	53.38	36.13	-.46	.67	.03	-11.94	2.37	.44 N	19.4	26.0	11.1	16.9	1.00	2.2	01-09-84	2602.4	289.1	1.3	1.56	10.74	1282	
Am Home Prod	AHP	51.63	48.75	49.75	-1.75	-3.40	54.25	41.75	-.15	-.28	1.04	9.84	3.59	39 N	11.1	16.0	12.2	12.8	2.40	4.8	11-03-83	4582.1	560.1	2.7	.00	11.83	1282	
Baxter Travenol	BAX	23.25	21.38	22.88	1.50	7.02	31.31	20.00	-.74	.86	1.90	-24.02	1.22	26 N	22.6	25.0	11.2	16.2	.28	1.2	11-18-83	1671.4	186.9	2.0	1.18	7.52	1282	
Block Drugs Co	BLOCA	26.00	25.75	25.75	-.25	-.96	34.47	19.41	.12	.17	-2.51	-37.14	2.85	.40 S	15.3	14.0	9.7	8.6	1.00	3.9	11-25-83	219.0	21.3	2.5	2.35	17.84	0383	
Bristol-Myers	BNY	43.75	40.75	43.25	.75	1.76	47.88	31.19	-.24	1.01	.81	11.14	2.59	35 N	13.7	18.0	9.7	15.0	1.20	2.8	10-03-83	3599.9	348.7	2.3	.84	12.98	1282	
Carter-Wallace	CAR	21.63	20.25	20.88	-.75	-3.47	29.00	17.75	.03	.72	-3.34	1.87	2.12	.50 S	28.4	38.0	5.7	9.2	.48	2.3	11-09-83	289.9	16.5	2.6	1.57	20.15	0383	
Forest Labs	FRX	29.75	26.88	27.88	-1.75	-5.91	40.75	18.13	-.05	.89	-1.31	15.72	.48	-.08 S	-13.5	62.0	13.4	54.7	.00	0	01-14-83	18.6	2.5	3.7	.37	3.03	0383	
ICN Pharm	ICN	8.25	6.88	7.38	-1.00	-11.94	15.25	6.63	-.09	.13	3.18	11.44	.42	-.11 N	-27.5	38.0	7.8	25.4	.00	0	00-00-00	38.7	3.0	1.8	.65	3.81	1182	
Key Pharm	KPH	18.00	16.00	18.00	.75	4.35	25.94	13.59	.22	1.19	-.24	16.95	.34	.15 N	51.7	80.0	14.9	40.9	.13	.7	11-04-83	82.3	12.3	1.6	.03	1.14	1282	
Lilly Eli Co	LLY	60.88	57.63	58.88	-1.63	-2.69	68.38	56.50	-.65	.33	1.74	7.11	5.42	.62 N	11.8	13.0	13.9	10.0	2.90	4.9	11-07-83	2962.7	411.8	1.9	.65	27.10	1282	
Lee Pharm	LPH	2.88	2.25	2.50	.00	.00	4.38	2.00	-.31	1.40	-1.70	-8.19	-.65	.72 N	NE	-81.0	-12.6	NE	.00	0	00-00-00	10.3	-1.3	1.9	.46	1.98	0982	
Marion Labs	MKC	40.25	37.13	38.25	-2.38	-5.85	48.00	22.06	-.30	.58	3.78	5.52	.78	.33 Q	60.0	13.0	8.2	43.5	.40	1.0	12-14-83	181.2	14.8	2.5	.05	5.93	0683	
Merck & Co	MRK	94.50	90.13	91.75	-2.50	-2.65	104.63	81.75	-.27	.27	1.59	-9.40	5.61	.51 N	9.2	9.0	13.6	15.2	3.00	3.3	11-29-83	3063.0	415.1	2.1	4.56	29.81	1282	
Morton Thiolol	MTI	80.25	75.75	77.50	.75	.98	80.50	48.75	-.06	.38	-.62	29.92	5.15	1.45 Q	35.8	16.0	5.2	14.1	1.76	2.3	11-23-83	1503.2	78.5	1.4	8.90	32.79	0683	
Newport Ph	NWPH	7.88	6.25	6.88	-1.13	-14.06	11.38	5.25	-1.00	2.00	-.88	-1.80	-.03	.01 Q	NE	22.0	-3.4	NE	.00	0	00-00-00	8.8	-.3	3.7	.24	1.12	0483	
Pfizer Inc	PFE	37.75	33.88	35.88	.38	1.06	44.75	33.56	-.46	.78	2.01	-12.68	2.13	.58 N	28.5	15.0	9.6	13.7	1.16	3.2	11-14-83	3453.6	332.8	2.0	3.37	12.82	1282	
Reid Prover Labs	REID	4.75	4.00	4.00	-.50	-11.11	6.09	1.69	1.87	-1.52	1.94	-8.49	.10	.37 Q	116.6	72.0	6.1	30.8	.05	1.3	12-09-83	11.4	.7	3.1	.03	.80	0683	
Robins, AH	RAH	22.75	21.00	21.50	-.50	-2.27	29.38	16.00	-.77	-.44	-.44	44.00	1.98	.51 N	27.4	19.0	10.1	9.1	.68	3.2	11-15-83	482.3	48.7	4.0	1.50	13.29	1282	
Rorer Group	ROR	32.50	28.50	29.00	-3.38	-10.42	34.25	22.38	-.05	-.22	-3.08	-5.00	1.82	.15 N	8.3	12.0	9.0	14.9	1.08	3.7	11-03-83	402.4	36.3	2.1	1.13	9.54	1282	
Scherer RP Co	SCHC	18.63	17.63	17.63	-.88	-4.73	29.63	16.50	.10	-.44	-1.97	37.92	1.13	-.25 S	-23.5	4.0	5.2	21.8	.32	1.8	12-07-83	169.7	8.8	2.5	4.57	10.88	0383	
Searle, GD	SRL	50.63	42.63	42.75	-8.50	-16.59	55.88	34.75	-.56	-.23	5.65	-13.38	2.77	-.13 N	-5.1	25.0	13.5	18.0	.52	1.2	10-31-83	1036.9	140.4	2.2	4.10	13.32	1282	
Squibb Corp	SQB	48.00	44.38	45.38	-1.88	-3.97	55.63	38.25	-.39	-.54	2.24	-2.47	3.01	1.69 N	11													

Special report: Diabetics

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Diabetics need full line of monitoring devices

NEW YORK—Many of the nation's leading diabetologists now believe that the best hope for diabetics lies in close control of blood glucose levels.

Maintaining levels as near to normal as possible appears vital in managing diabetes. Control is defined operationally as the achievement of "normal" blood glucose values before, and three to four hours after, any given meal and through the nighttime hours.

Control is achieved by physician care, proper diet, exercise and medicine when needed. But the success of this program hinges on diabetics knowing their own blood sugar levels at all times.

Depending on the condition and needs of individual diabet-

ics, there is a "hierarchy" of testing, which means that a complete range of products must be available to consumers. These items include both urine and blood testing devices, and reagent strips.

Until as recently as 1980 urine testing was the only monitoring method available to diabetics for use at home. However, for many diabetics—notably type I—urine tests for sugar are insufficient for close control.

The amount of glucose in the urine does not always accurately reflect the "immediate" glucose level in the blood. Specifically, urine tests don't always indicate when blood glucose is dangerously low; urine tests do not become positive until glucose levels in the blood

have been high for several hours, and urine glucose levels may falsely appear negative if the patient has recently had a large amount of liquid to drink.

Type I diabetics also have the option of using blood tests to monitor their diabetes management.

Frequency of monitoring varies with the severity of diabetic symptoms. Most insulin-dependent diabetics monitor blood glucose levels four to five times a day for optimum control. And during periods of illness or stress, monitoring is more frequent to avoid abrupt changes in blood glucose levels.

Pregnant diabetics are often advised to monitor seven to eight times a day. In a study conducted at New York Hospi-

tal-Cornell Medical Center, diabetic women on regular blood glucose self-monitoring were able to achieve near normal blood sugar levels. These same women delivered healthy babies with no diabetes-related hospitalizations during pregnancy.

Monitoring also minimizes the unexpected highs and lows which can occur when a diabetic misses a meal, is ill or under stress. And monitoring also provides diabetics with a means of associating daily activities with the effects of blood sugar levels.

To foster more patient self care, some physicians have formed Diabetes Self-Care Programs so that patients can learn how to monitor their conditions

at home. Some physicians participating in these programs note that their overall success hinges on insurance companies. They say that if insurers fail to support these programs, they face the prospect of much higher hospitalization costs.

Other doctors aren't so optimistic. They claim that technology now exists to achieve control, but it is difficult to sustain control. Therefore the next frontier is maintaining control by increasing patient compliance through patient education.

Diabetes incidence growing

NEW YORK—Approximately 5% of the United States population has some form of diabetes. And while the incidence of the disease grows, researchers remain stumped about the cause of the increase.

In 1980, it was estimated that eight million to 8.5 million Americans suffered from type I (insulin-dependent) or type II (not-insulin-dependent) diabetes.

By 1983, this estimate grew to 10 million to 11 million people. And of this total, half, or about five million people, don't even realize they have the disease.

Failure to recognize diabetes' early warning signs, including blurred vision, obesity and slow healing of cuts, helps explain why the disease is the nation's third largest killer. Other warning signs are excessive thirst, constant hunger, frequent urination, fatigue, rapid weight loss and acetone breath. But these clues are not observed among all patients.

So blood glucose and urine tests are used to confirm and monitor the disease.

Aside from its rapid growth, diabetes is an often-misunderstood disease, and making people aware of symptoms serves a critical community need. By improving awareness, many of the disease's life-threatening complications—blindness, kidney failure, heart disease, leg/foot amputations—can be avoided.

If diabetes is left uncontrolled during pregnancy, it can lead to spontaneous abortion or retarded and physically deformed or impaired children.

When unchecked, diabetes can result in blindness. A reported 5,000 cases occur each year. Diabetics are also 17 times more likely to have kidney disease, five times more likely to develop gangrene and lose a limb, and twice as susceptible to heart attack.

Correction

In the Nov. 14, 1983 issue, it was incorrectly reported that average pharmacist's salary rose 16% last year. The correct increase was 7.4%.

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Most people don't recognize diabetes when they see it.

Blurred vision is one of the symptoms of diabetes. And it's not a sign to ignore. Diabetes is a very serious disease that can lead to blindness, heart attacks, and kidney failure. Diabetes can also lead to death. In fact, it's the third largest killer disease in the United States. The American Diabetes Association is trying to change all this. We offer programs to help people understand this complex disease. And deal with it effectively. We also support vital research that gives not only hope of better treatment, but the promise of bringing the cure for diabetes into sharp focus. To learn more, please write: The American Diabetes Association, 2 Park Avenue, New York, NY 10016.

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